

NEW YORK CONVENTION CENTER DEVELOPMENT CORPORATION

MEETING OF THE DIRECTORS

Thursday

November 6, 2014 – 10:30 a.m.

Jacob K. Javits Convention Center Board Room

655 West 34th Street New York, New York

AGENDA

I. CORPORATE ACTION

- A. Approval of the Minutes of the March 28, 2014 Meeting of the Directors

II. FOR CONSIDERATION

- A. Officers of the Corporation- Appointment of Officer- Treasurer

III. FOR INFORMATION

- A. Report on the Renovation and Expansion Project- Status of Construction- Tishman Construction Company (Oral Report)
- B. Report on the Renovation and Expansion Project- Integrity Monitor's Report- BDO Consulting (Oral Report)

DRAFT – SUBJECT TO REVIEW AND REVISION

NEW YORK CONVENTION CENTER DEVELOPMENT CORPORATION

Meeting of the Directors
633 Third Avenue
New York, New York 10017

March 28, 2014

MINUTES

In Attendance

Directors: Henry Silverman, Chairman
Michael G. Carey
David Emil
Vincent Iannelli
George M. Little
Carl H. Loewenson, Jr.
Joseph Spinnato
Ann Weisbrod
William Wheeler

NYCCDC Officers: Barbara Lampen, President

Attending for ESD: Jonathan Beyer, Senior Counsel
Thomas Brennan, Senior Vice President – Internal Audit
Joseph Chan, Executive Vice President – Real Estate Development
Jennifer Gabriel, Project Associate
Eugene Kwiatkowski, Director of Budgeting
Carlos Otero, Vice President – Contracts
Paula Roy, Vice President – Real Estate Development
Gerardo Russo, Vice President – Communications
Regina Stephens, Acting Corporate Secretary
Peter Topor, Construction Manager
Robert White, Audit Manager – Internal Audit

Also Present: Convention Center Operating Corporation
Doreen Guerin
Pricilla Odom

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For Tishman Construction Corporation
Glenn Johnson

For FxFowle
Bruce Fowle

The Public
The Press

The Meeting of the Board of Directors of the New York Convention Center Development Corporation (“CCDC”) was called to order at 10:00 a.m. by Chairman Silverman. It was noted for the record that the time and place of the meeting had been given in compliance with the New York State Open Meetings Law. A quorum was present.

The Chair briefly outlined the guidelines for public comment. He then welcomed newly appointed Director, David Emil, to the Board and to the meeting.

The Chair then set forth the guidelines regarding any conflicts of interest the Directors may have with regard to items on the Agenda. It was noted that no such conflicts exist.

Next, Chair Silverman called for the approval of the Minutes of the October 8, 2013 CCDC Directors’ meeting.

Upon motion duly made and seconded, the following resolution was unanimously adopted:

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APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE OCTOBER 8, 2013 MEETING OF THE DIRECTORS OF THE NEW YORK CONVENTION CENTER DEVELOPMENT CORPORATION

RESOLVED, that the Minutes of the meeting of the Corporation held on October 8, 2013, as presented to this meeting, are hereby approved as revised and all actions taken by the Directors present at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

Ms. Lampen then asked the Directors to adopt CCDC's annual Operating and Capital Budgets for 2014-2015 and to take related actions. Ms. Lampen explained that in furtherance of the Comptroller's oversight responsibility as set forth in Article X, Subsection 5 of the State Constitution and Subsection 8(14) of the State Finance, the Comptroller's office promulgated regulations regarding the preparation of approval submission and reporting of budgets and financial plans by public authorities.

Ms. Lampen then noted that these regulations require, among other things, that prior to the commencement of the fiscal year, the Directors adopt the annual budget.

Ms. Lampen noted that the budget will be funded with proceeds from the hotel unit fee secured bonds Series 2005.

Ms. Lampen further noted that overall, the operating budget has decreased by six percent and that the proposed capital budget will fund the completion of the renovation program approved in the 2009 General Project Plan.

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Following the full presentation, the Chair called for questions or comments.

Director Wheeler asked what architectural services will CCDC be using as the job wraps up.

Ms. Lampen stated that architectural services will involve punching out architectural items and as-builts.

Ms. Lampen further stated that CCDC is completing designs on some of the late work with \$6 million in additional contingency that CCDC has. She added that CCDC is basically at the back end and closeout set for the open design end.

There being no further questions or comments, and upon motion duly made and seconded, the following resolution was unanimously adopted:

NEW YORK (NEW YORK COUNTY) – Jacob K. Javits Convention Center Expansion and Renovation Civic Project – Annual Operating and Capital Budgets for FY 2014-2015

RESOLVED, that, in accordance with the materials presented to this meeting and ordered filed with the records of the Corporation (the “Materials”), the Corporation hereby adopts the Annual Operating and Capital Budgets for FY 2014-2015 presented to this meeting and included in the Materials; and be it further

RESOLVED, that, the President or her designee(s) be, and each of them hereby is, authorized and directed, in the name of and on behalf of the Corporation, to execute and deliver any and all documents and to take all actions as may be necessary or proper to effectuate the foregoing.

* * *

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Next, Ms. Lampen asked the Directors to authorize the Corporation to amend its contract with BDO Consulting.

Ms. Lampen provided the relevant details with regard to this request noting, in part, that in March 2010, the Board authorized CCDC to enter into a contract with BDO Consulting for a term of six months to perform integrity monitoring and independent project oversight in connection with the renovation and expansion of the Convention Center in an amount not to exceed \$659,050.

Ms. Lampen explained that BDO concluded an initial six-month analysis and in October of 2010, the Board authorized an amendment to the contract with BDO to perform integrity monitoring and forensic accounting services in connection with the renovation and expansion for an amended not to exceed an amount of \$2,169,675.

Ms. Lampen further explained that as the renovation project reached its completion and as contractor closeout commences, there is a continuing need for final closeout audits with both trade contractors.

Ms. Lampen continued and explained that there is presently insufficient funds remaining in the contract to fund these audits.

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The Directors, therefore, are being asked to authorize CCDC to amend the BDO contract for an additional amount not to exceed \$250,000 to provide for those final closeout audits.

Ms. Lampen added that to date, approximately \$859,000 has been recovered from the trade contract as a result of BDO's audit finding.

Following the full presentation, the Chair called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

NEW YORK (New York County) – Jacob K. Javits Convention Center Renovation and Expansion Project – Authorization to Amend the Contract with BDO Consulting and to Take Related Actions

RESOLVED, that, in accordance with the materials presented at this meeting and ordered filed with the records of the Corporation, the Corporation be and hereby is, authorized to amend the contract with BDO Consulting to perform integrity monitoring and forensic accounting services in connection with the renovation and expansion of the Javits Center in an amount not to exceed \$250,000; and be it further

RESOLVED, that, the President and her designee(s) be, and each of them hereby is, authorized and directed, in the name of and on behalf of the Corporation, to execute and deliver any and all documents and to take all actions as may be necessary or proper to effectuate the foregoing.

* * *

Mr. Beyer then asked the Directors for authorization to adopt the Revised Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts.

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Mr. Beyer provided an overview of the Guidelines in general as well as a brief outline of the revisions thereto.

Following Mr. Beyer’s full presentation, the Chair called for questions or comments.

Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

CONVENTION CENTER DEVELOPMENT CORPORATION – CCDC Procurements Guidelines -
Adoption of Revised Guidelines for the Use, Awarding, Monitoring and Reporting of
Procurement Contracts

BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation, the proposed 2014 Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts, a copy of which is attached to the materials, be and hereby is approved and adopted as of the date hereof, and the President or her designee is authorized to promulgate the said Guidelines in electronic form and other media for the use of the staff of the Corporation, and to take such other and further action as may be deemed necessary or appropriate to effectuate the foregoing Resolution:

and be it further

RESOLVED, that in the event that the proposed 2014 Guidelines are amended by the ESD Board at its meeting to be held on March 28, 2014, the Guidelines so amended shall be substituted nunc pro tunc for the adopted 2014 Guidelines attached to the attached Board materials, a copy of which is hereby ordered to be filed with the records of the Corporation.

* * *

Mr. Johnson then provided a detailed presentation with regard to the current status of the construction work being done on the Project.

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Mr. Johnson noted that with the project wrapping up, the biggest setback has been the harsh winter. He noted that among other things, there is roofing to finish up.

Mr. Johnson further noted that the largest problem is with the sedum which is grown up on Syracuse and which is the final thing that will go on top of the roof.

Right now, Mr. Johnson explained, there is about four feet of frost in Syracuse and it will take some time before it can be brought down for harvesting on the roof.

Mr. Johnson went on to outline certain of the other wrap-up activities that are currently going on including work on a roof on the 12th Avenue side. He added that the work will be started next week. This, he noted, will involve working around the loading in and the loading out schedules of various shows.

Director Ann Weisbrod asked when this construction began and how long it will take to be completed.

Mr. Johnson stated that it began in January 2009 and installation will be done in January.

Director Ann Weisbrod then asked if WiFi service has improved and Ms. Lampen responded that a major installation is going on right now.

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Director Loewenson asked if the staging area is still being used as the project nears completion.

Mr. Johnson stated that there are still trailers in that area but they are in the process of clearing out.

Director Emil asked if the wayfaring is construction or community related. Mr. Johnson stated that it was internal.

Director Emil asked if there is work being done on community wayfaring as well and Ms. Lampen stated that external wayfaring would be done with the MTA.

There being no further business, the meeting was adjourned at 10:25 a.m.

Respectfully submitted,

Regina Stephens
Acting Corporate Secretary

NY Convention Center Development Corporation

Barbara P. Lampen

President

FOR CONSIDERATION

November 6, 2014

TO: The Directors
FROM: Barbara Lampen
SUBJECT: Officers of the Corporation
REQUEST FOR: Appointment of Officer- Treasurer

I. Background

Pursuant to Article III of the By-Laws of the New York Convention Center Development Corporation (the "Corporation"), the Officers of the Corporation shall include the President, the Secretary, the General Counsel and the Treasurer. Pursuant to Section 5, Article III of the By-Laws, the Treasurer shall have custody of all monies and securities of the company and shall keep or cause to be kept regular books of the accounts of the Corporation. He shall account to the President and the Board, whenever they require it, with respect to all his transactions as Treasurer and the financial condition of the Corporation, and shall perform all other duties that are assigned to him by the President or the Board.

The Chief Financial Officer of the New York State Urban Development Corporation, doing business as Empire State Development ("ESD"), Francis Walton, served as Treasurer of the Corporation until her resignation in 2013.

Margaret Tobin was appointed to the position of Chief Financial Officer of ESD in January 2014. It is proposed that Ms. Tobin be appointed Treasurer of the Corporation.

Ms. Tobin most recently served as Executive Director of the NY Works Task Force. She has a diverse background in finance, economic development, and real estate, both in the public and the private sectors. She earned her B.A. from Vassar College and her M.B.A. from Stanford University.

In addition, it is recommended that the Corporation authorize the Chief Financial Officer of ESD to serve ex-officio as Treasurer of the Corporation commencing with this appointment. In this way, future vacancies will be filled expeditiously.

II. Requested Action

The Directors are requested to approve the appointment of Margaret Tobin to the office of Treasurer, ex officio, to the Corporation and to confirm that she is an officer of the Corporation within the meaning of the New York State Urban Development Corporation Act and the provisions of the Corporation's By-Laws, including the indemnification provisions thereof.

III. Recommendation

Based upon the foregoing, I recommend approval of the requested actions.

IV. Attachment

Resolution

November 6, 2014

New York Convention Center Development Corporation- Officers of the Corporation- Appointment of Officer- Treasurer

BE IT RESOLVED, that Margaret Tobin be, and hereby is, appointed to the office of Treasurer to the New York Convention Center Development Corporation (the "Corporation") until her earlier resignation or removal, her appointment being effective as of the date indicated in the attached materials, a copy of which is hereby ordered to be filed with the records of the Corporation; and be it further

RESOLVED, that in accordance with and for all the purposes of the New York State Urban Development Corporation Act and the By-Laws of the Corporation, including but not limited to the indemnification provisions thereof, the foregoing individual is an "officer" of the Corporation; and be it further

RESOLVED, that the Corporation authorizes the Chief Financial Officer of Empire State Development to serve ex-officio as Treasurer of the Corporation commencing with this appointment.