

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS  
OF THE HUDSON YARDS INFRASTRUCTURE CORPORATION**

September 22, 2010

A meeting of the Board of Directors (the “Board”) of the Hudson Yards Infrastructure Corporation (the “Corporation”) was held on September 22, 2010 at approximately 12:15 p.m. at 75 Park Place, Room 6M4, New York, New York.

The following director was present in person:

Mark Page, Director of Management and Budget of The City of New York (the “City”); and

the following directors were represented by their alternates:

John C. Liu, Comptroller of the City, represented by Mark Kim;

Christine C. Quinn, Speaker of the City Council, represented by Raymond Majewski;

Robert K. Steel, Deputy Mayor for Economic Development of the City, represented by Andrew Winters; and

Stephen Goldsmith, Deputy Mayor for Operations of the City, represented by Brian Geller;

constituting a quorum of the Board. Kathy Blyn served as secretary of the meeting.

Also in attendance were members of the public, officers of the Corporation, and employees of various agencies of the City and the State of New York.

The meeting was called to order by Mr. Page.

Approval of Minutes

The first item on the agenda was the approval of the minutes of the meeting of the Directors which occurred on April 27, 2010. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes was duly approved:

**WHEREAS**, the Board of Directors of the Hudson Yards Infrastructure Corporation (the “Corporation”) has reviewed the minutes of the previous meeting of the Board of Directors held on April 27, 2010; it is therefore

**RESOLVED**, that the minutes of the Board of Directors meeting of April 27, 2010, are hereby approved.

Acceptance of the Independent Auditors’ Report on the Audited Financial Statements for the Fiscal Years Ended June 30, 2010 and June 30, 2009 and Authorization to Release Such Financial Statements

The second item on the agenda was acceptance by the Board of the report of the Corporation’s independent auditors on the Corporation’s audited financial statements for the fiscal years ending June 30, 2010 and June 30, 2009 as well as authorization of the release of such financial statements. Mr. Page informed the Board that the Audit Committee of the Corporation had recommended such acceptance and authorization. A motion was made to approve the resolution set forth below with respect to the financial statements. The motion was seconded and, there being no objections, approved.

**WHEREAS**, the Audit Committee has met with the independent auditors of the Hudson Yards Infrastructure Corporation (the “Corporation”) and has reviewed the independent auditors’ report on the audited financial statements of the Corporation for the fiscal years ended June 30, 2010 and June 30, 2009 and such financial statements; and

**WHEREAS**, the Audit Committee believes the independent auditors’ report and the financial statements are reasonable and appropriate and has recommended that the Board accept

the independent auditors' report and authorize the release of the financial statements; it is therefore

**RESOLVED**, that the Board hereby accepts the independent auditors' report on the audited financial statements of the Corporation for the fiscal years ended June 30, 2010 and June 30, 2009 and authorizes the release of such audited financial statements; provided that both the independent auditors' report and the audited financial statements may be amended to reflect non-material changes acceptable to the Comptroller of the Corporation.

#### Authorization of the Annual Report for Presentation to the Members

The third item on the agenda was authorization of the Annual Report required by Section 519 of the New York Not-for-Profit Corporation Law for presentation to the Members of the Corporation. A motion was made to approve the resolution set forth below with respect to such report. The motion was seconded and, there being no objections, approved.

**WHEREAS**, Section 519 of the New York Not-For-Profit Corporation Law (the "N-PCL") requires that the Board of Directors of not-for-profit corporations present an annual report relating to the financial conditions of such corporations to the members of such corporations at their annual meeting; and

**WHEREAS**, in compliance with Section 519 of the N-PCL the Board of Directors of the Corporation has caused an annual report relating to the Corporation's fiscal year 2010 (the "Annual Report") to be prepared; it is therefore

**RESOLVED**, that the Board of Directors does hereby authorize and ratify the preparation of the Annual Report and its presentation to the Members of the Corporation; and

**FURTHER RESOLVED**, that the Annual Report be entered in the minutes of this meeting of the Board of Directors.

#### Approval of Amended Policy on the Procurement of Goods and Services

The fourth item on the agenda was approval of an amended Policy on the Procurement of Goods and Services (the "Policy"). Mr. Page explained that approval of the amended Policy was recommended by the Governance Committee of the Corporation. He further explained that the amendment clarifies that the small purchase exception in the Policy with respect to competitive bidding and Board approval applies to contracts with a value of \$7,500 in one fiscal

year. A motion was made to approve the resolution set forth below with respect to the amended Policy. The motion was seconded and, there being no objections, approved.

**WHEREAS**, pursuant to Section 2824(e) of the Public Authorities Law of the State of New York, the Hudson Yards Infrastructure Corporation (the “Corporation”) is required to establish a policy on the procurement of goods and services; and

**WHEREAS**, the Corporation adopted Policy on the Procurement of Goods and Services (the “Policy”) on October 12, 2006; and

**WHEREAS**, the Policy specifies that procurements of goods and services, the value of which is less than \$7,500 do not require competition or approval of the Board of Directors; and

**WHEREAS**, the Corporation’s Officers have recommended that the small purchase exception to the Corporation’s requirement for competitive procurements be clarified to state explicitly that such exception applies to contracts the value of which is less than \$7,500 in any one fiscal year; and

**WHEREAS**, pursuant to subsection III(a)(viii) of the Governance Committee Charter, the Governance Committee has reviewed the Policy, as amended and attached hereto, and recommended its approval; it is therefore

**RESOLVED**, that the Board of Directors hereby adopts the Policy, as amended and attached hereto.

#### Approval of Contract to Manage Design and Construction for Hudson Park and Boulevard

The fifth item on the agenda was approval of a contract to manage design and construction for Hudson Park and Boulevard in the Hudson Yards area of Manhattan. Mr. Page explained that the contract was among Hudson Yards Development Corporation, the City Economic Development Corporation (“EDC”) and the Corporation and that the Corporation is a party because it will be paying for the contract. He further explained that EDC was selected to perform this service because of its experience with this kind of work. A brief discussion ensued. A motion was made to approve the resolution set forth below with respect to such contract. The motion was seconded and, there being no objections, approved.

**WHEREAS**, the Hudson Yards Development Corporation (“HYDC”) has recommended the selection of the New York City Economic Development Corporation (“EDC”) to manage the

design and construction of Hudson Park and Boulevard, a key component of the redevelopment of the Hudson Yards area of Manhattan, through an agreement among the Hudson Yards Infrastructure Corporation (the “Corporation”), HYDC and EDC; and

**WHEREAS**, EDC has experience in the planning, design and construction of parks and streets, particularly where such design and construction involves the coordination of multiple City agencies; and

**WHEREAS**, EDC was selected pursuant to a waiver of the Corporation’s selection criteria, under section II(5) of the Corporation’s Policy on the Procurement of Goods and Services, as EDC is a governmental unit that can provide or cause to be provided the services contemplated under this agreement and the Corporation’s Officers have determined that it is in the best interest of the Corporation to avail itself of this opportunity; it is hereby

**RESOLVED**, that the Board of Directors of the Corporation hereby authorizes the Officers of the Corporation to enter into an agreement among the Corporation, HYDC and EDC for EDC to manage the performance of preliminary design services for Hudson Park and Boulevard and streetscape improvements for the area, provided that HYIC would fund up to \$1,000,000 pursuant to this agreement, and any increases would be subject to approval of the Board of Directors.

#### Approval of Graphic Design Consultant Contract

The sixth item on the agenda was approval of a contract with a graphic design consultant to work on the Corporation’s Comprehensive Annual Financial Report (the “CAFR”). Mr. Page explained that pursuant to a request for proposals process the staff of the Corporation selected Little Gray House to perform graphic design work in connection with the CAFR. He noted that the firm would also select a subcontractor for printing services, subject to the approval of the Corporation. A motion was then made to approve the resolution set forth below with respect to such graphic design consultant contract. The motion was seconded and, there being no objections, approved.

**WHEREAS**, Hudson Yards Infrastructure Corporation (the “Corporation”) conducted a Request for Proposals process for a graphic design consultant to work with the Corporation in connection with the preparation of the Corporation’s Comprehensive Annual Financial Report (“CAFR”); and

**WHEREAS**, Little Gray House was selected based on price, experience and presentation; and

**WHEREAS**, the Board of Directors believes that it is in the best interests of the Corporation to authorize a contract with Little Gray House; it is therefore

**RESOLVED**, that the President or the Treasurer of the Corporation is each hereby authorized and directed to enter into an agreement in the name of the Corporation whereby Little Gray House will serve as graphic design consultant to the Corporation upon such terms as the President or the Treasurer deems reasonable and appropriate; provided, however, that such agreement shall be limited to work on the fiscal year 2010 CAFR; and provided, further, that compensation to Little Gray House shall be in the amount of \$12,600 and not to exceed \$15,600, plus an amount not to exceed \$30,000 to be pre-approved by the President or Treasurer of the Corporation for payment of printing services to be performed under a sub-contract managed by Little Gray House.

#### Annual Approval of Investment Guidelines

The seventh item on the agenda was the annual approval of the Corporation's Investment Guidelines. Mr. Page explained that the Corporation is required to annually review its Investment Guidelines and that they are unchanged from last year. A motion was made to approve the resolution set forth below with respect to the Investment Guidelines. The motion was seconded and, there being no objections, approved.

**WHEREAS**, the Hudson Yards Infrastructure Corporation (the "Corporation"), adopted Investment Guidelines on October 4, 2007 to establish policies for the investment of its funds and subsequently amended the Investment Guidelines on January 16, 2009; and

**WHEREAS**, the Corporation is required annually to review its Investment Guidelines; and

**WHEREAS**, the Board of Directors has reviewed the attached Investment Guidelines and has deemed them to be reasonable and appropriate; it is therefore

**RESOLVED**, that the Investment Guidelines, a copy of which will be filed with the Minutes of the Meeting, are hereby approved.

#### Approval of Investment Report

The eighth item on the agenda was approval of the Corporation's Investment Report. Mr. Page briefly described such report. A motion was made to approve the resolution

set forth below approving the Investment Report. The motion was seconded and, there being no objections, approved.

**WHEREAS**, the Hudson Yards Infrastructure Corporation (the “Corporation”), pursuant to the Corporation’s Investment Guidelines, is required to annually prepare and approve an Investment Report; and

**WHEREAS**, the Board has reviewed the attached Investment Report and has deemed it to be reasonable and appropriate, it is therefore

**RESOLVED**, that the Investment Report is hereby approved.

#### Distribution of Financial Plan

The ninth item on the agenda was distribution of the Corporation’s five year financial plan. Mr. Page explained that pursuant to the Public Authorities Law the Corporation is required to prepare a financial plan and to submit it to various City and State officials. He further explained that the Financial Plan does not need to be approved by the Board and that it is distributed for the information of the Board. A brief discussion ensued.

#### Presentation by Governance Committee Chair

The tenth item on the agenda was a presentation by the Chairperson of the Governance Committee with respect to its findings and activities during fiscal year 2010, as required by the Committee’s Charter. Mr. Kim, the Chair Pro Temp of the Governance Committee, presented a report describing such findings and activities.

#### Report of President

The eleventh and final item on the agenda was a report of the President of the Corporation. Alan Anders, the President of the Corporation, gave a brief report, including that the Number 7 subway line extension project is on schedule and on budget. A brief discussion ensued.

Adjournment

There being no further business to come before the Board, upon motion duly made and seconded, there being no objections, the meeting was duly adjourned.

  
ASSISTANT SECRETARY