



**Roosevelt Island  
Operating Corporation**  
of the State of New York  
591 Main Street  
Roosevelt Island, NY 10044  
(212) 832-4540  
www.rioc.com

**David A. Paterson**  
*Governor*

**Stephen H. Shane**  
*President*  
*Chief Executive Officer*

**Kenneth A. Leitner**  
*Vice President*  
*General Counsel*

**Fernando Martinez**  
*Vice President*  
*Operations*

**Steven Chironis**  
*Vice President*  
*Chief Financial Officer*

**Rosina Abramson**  
*Vice President*  
*Planning and Inter-  
Governmental Affairs*

**Board of Directors**  
Deborah VanAmerongen  
*Chairperson*  
Alberteen Anderson  
Laura L. Anglin  
David Kraut  
Charlee Miller  
Mark Ponton  
Michael Shinozaki  
H. Patrick Stewart

MINUTES OF THE APRIL 10, 2008 MEETING OF THE  
ROOSEVELT ISLAND OPERATING CORPORATION  
BOARD OF DIRECTORS

A meeting of the Board of Directors was held at the Good Shepherd Center  
543 Main Street, Roosevelt Island on April 10, 2008 at 9:30 a.m.

**Directors Present:**

Leslie Torres	Representing Deborah VanAmerongen, RIOC Chair and Commissioner, the New York State Division of Housing and Community Renewal
Joseph Fiore	Representing Laura L. Anglin, Director, the New York State Division of Budget
David Kraut	Director
Michael Shinozaki	Director
H. Patrick Stewart	Director

**Directors Absent:**

Alberteen Anderson	Director
Charlee Miller	Director
Mark Ponton	Director

**Officers and Staff Attending:**

Stephen H. Shane	President/Chief Executive Officer
Kenneth A. Leitner	Vice President/General Counsel
Fernando Martinez	Vice President for Operations
Steven Chironis	Vice President/Chief Financial Officer
Rosina Abramson	Vice President for Planning and Inter-Governmental Relations (Incoming)
W. Keith Guerra	Director of Public Safety
Arthur G. Eliav	Assistant General Counsel
Muneshwar Jagdharry	Comptroller
Lada Mirzalieva	Paralegal

**Others Attending:**

Matthew Katz	President of Roosevelt Island Residents Association
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1 Ms. Leslie Torres called the meeting to order at 9:45 a.m. The roll was called and a  
2 quorum found to be assembled and present.

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4 \*

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6 The first item of business was the approval of the minutes of the February 28, 2008  
7 meeting of the RIOC Board of Directors. A proposed draft of the minutes had been previously  
8 distributed to all Board members for their consideration.

9  
10 Upon a motion duly made concerning the minutes of the February 28, 2008 meeting,  
11 seconded, and carried by a unanimous vote in favor (Ms. Torres, Mr. Fiore, Mr. Kraut, Mr.  
12 Shinozaki and Mr. Stewart), the minutes were **APPROVED**, and ordered filed.

13  
14 \*

15  
16 The first item of new business was the approval of the proposed RIOC budget for Fiscal  
17 Year 2008-2009.

18  
19 Mr. Stephen H. Shane noted that the proposed budget was previously distributed to the  
20 Board and made available for comments and discussion on the RIOC website, Island blogs and  
21 the Main Street WIRE.

22  
23 Mr. Shane then introduced RIOC's Chief Financial Officer, Mr. Steven Chironis, who  
24 presented the finalized budget for FY 08/09 for Board approval. Mr. Chironis explained that this  
25 year the budget format was simplified and that now financial statements for Operations and  
26 Capital Improvements are presented separately. Mr. Chironis compared the actual expenditures  
27 for FY 07/08 with those projected for FY 08/09. Mr. Chironis informed the Board that cash  
28 reserves increased over FY 07/08, but will remain about the same for FY 08/09, assuming that  
29 the expected outside funds are drawn in for the Tram modernization project and Southpoint Park  
30 development. He further noted that the projected deficit for FY 08/09 stems primarily from three  
31 areas of operations with increased expenditures, namely Parks and Recreation, Public Safety and  
32 the Tram.

33  
34 Mr. Chironis noted that the condo conversion fees for FY 07/08 were over-projected by  
35 \$2.5 million, because transfers to medical institutions, which are exempt from condo conversion  
36 fees, were not taken into account. Mr. Shinozaki asked for a report on the exempt units. Mr.  
37 Chironis stated that he will provide it to the Board.

38  
39 Mr. Chironis went on to inform the Board that the two items that exceeded the budget in  
40 FY 07/08 were telecommunications and Public Purpose Funds. Additional telecommunication  
41 equipment had to be purchased in order to comply with Executive Order #3 that was issued in  
42 January 2007. Furthermore, while Public Purpose Funds disbursements went over the budget,  
43 they were all made with prior Board approval.

44  
45

1 Mr. Chironis next discussed the personnel expenses of the Corporation. In FY 07/08,  
2 salary constituted 67% of the personnel expenses. The rest of the personnel expenses covered  
3 various benefits. In FY 08/09, the personnel expenses are expected to increase. The number of  
4 employees has increased from 107 in FY 07/08 to 113 in FY 08/09. Mr. Shane explained that  
5 there are two significant areas of growth in terms of staffing: First, Public Safety Department  
6 filled in seven vacant spots. This measure should reduce the overtime and expand the patrol on  
7 the Island as its population increases. Second, RIOC's in-house Engineering Department was  
8 expanded as a result of termination of relations with Hill Engineering, RIOC's outside  
9 engineering consultant. Furthermore, Mr. Shane noted that two additional positions were  
10 contemplated in the upcoming fiscal year: (1) mid level IT person; and (2) Vice President for  
11 Planning and Inter-Governmental Relations.  
12

13 In response to Mr. Shinozaki's inquiry regarding the Metrocard purchases mentioned on  
14 page 20 of the Budget, Mr. Chironis stated that he will provide a more detailed report to the  
15 Board.  
16

17 Among the major financial concerns for the Corporation, Mr. Chironis mentioned the  
18 general issues of inflation, recession and capital improvements. The latter involved making sure  
19 that appropriate funds are drawn for the tram Modernization and Southpark projects. Mr. Shane  
20 noted that inflation has a direct impact on capital improvements, especially since many of the  
21 Tram parts will have to be ordered from Europe in the backdrop of a weakening dollar.  
22 Responding to a concern voiced by Mr. Shinozaki, Mr. Chironis noted that the rising fuel prices  
23 are accounted for in the new budget.  
24

25 Mr. Chironis noted that last year capital improvements were projected to amount to \$14  
26 million, while only \$4.5 million was actually spent. This year, the budget contemplated \$37  
27 million for that item, of which \$14 million were allocated for the Tram modernization project  
28 and \$10 million for the Southpoint Park construction. Mr. Chironis promised to provide the  
29 Board with monthly capital improvement budget status reports.  
30

31 Ms. Torres and Mr. Kraut thanked Mr. Chironis for his presentation. Mr. Chironis  
32 credited the professionalism of his accounting staff who helped prepare the report.  
33

34 Upon a motion duly made, seconded and carried by a unanimous vote in favor (Ms.  
35 Torres, Mr. Fiore, Mr. Kraut, Mr. Shinozaki and Mr. Stewart), the following resolution was  
36 ADOPTED:  
37

38 **RESOLUTION**

39 **APPROVAL**

40 **OF THE PROPOSED BUDGET FOR FISCAL YEAR 2008-09**  
41  
42

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43  
44 **RESOLVED** by the Board of Directors of the Roosevelt Island Operating Corporation of  
45 the State of New York, as follows:  
46





AUTHORIZATION TO ENTER INTO A CONTRACT  
WITH LOCAL 32BJ

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**RESOLVED** by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York (“RIOC”), as follows:

Section 1. that RIOC is hereby authorized to enter into a collective bargaining agreement with the Service Employees International Union, Local 32 BJ, AFL-CIO, upon the terms and conditions substantially similar to those outlined in the memorandum from Andrew Peterson, Esq. to Stephen Shane dated March 26, 2008, attached hereto;

Section 2. that the President/Chief Executive Officer or his designee shall take such actions and/or execute such instruments as necessary to effectuate the foregoing;

Section 3. that this resolution shall take effect immediately.

\*

The forth item of new business was the authorization to consent to Manhattan Park’s major sublease with Marymount Manhattan College.

Mr. Shane noted that the Manhattan Park housing project on Roosevelt Island has requested RIOC’s consent to lease 35 units to the Marymount Manhattan College. Of these units, 34 would house students and one unit would house a Resident Director. As these units will be rented at a market rate, and RIOC has a percentage rent interest in Manhattan Park, it would be to RIOC’s financial interest to approve the sublease. Therefore, Mr. Shane recommended the approval.

Mr. Shinozaki noted that he would abstain from voting because he is a resident of Manhattan Park. However, Mr. Shane assured him that since he has no personal economic benefit from this decision, no conflict of interest exists.

Upon a motion duly made, seconded and carried by a unanimous vote in favor (Ms. Torres, Mr. Fiore, Mr. Kraut, Mr. Shinozaki and Mr. Stewart), the following resolution was ADOPTED:

**RESOLUTION**

AUTHORIZATION TO CONSENT TO  
MANHATTAN PARK’S MAJOR SUBLEASE

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1 of 559 Main Street upon such terms and conditions substantially similar to  
2 those as set forth in the Memorandum from Stephen H. Shane to the Board  
3 of Directors, dated March 26, 2008, attached hereto;

4  
5 Section 2. The President/Chief Executive Officer or his designee is hereby  
6 authorized to take such actions and execute such agreements as deemed  
7 necessary to effectuate the foregoing;

8  
9 Section 3. This resolution shall take effect immediately.

10  
11 \*

12  
13 The sixth item of new business was the authorization of amendment of the contract with  
14 Parametrix Consulting, Inc.

15  
16 Mr. Shane stated that Parametrix is an engineering tram expert located in Denver, CO.  
17 Mr. Shane noted that it would be in RIOC's best interest to have a New York based partner to  
18 assist with the project. Therefore, RIOC would like for Parametrix to engage the firm of  
19 Thornton Tomasetti to do structural engineering analysis as subcontractors in connection with  
20 the Tram modernization project. The proposed Amendment would enable Parametrix to enter  
21 into a subcontract with Thornton Tomasetti. Mr. Shane expressed his confidence that Thornton  
22 Tomasetti is uniquely equipped as a New York based entity to complete the project due to its  
23 expertise and familiarity with the towers.

24  
25 Mr. Shane informed the Board that Professor Rene Testa of Columbia School of  
26 Engineering was involved in negotiations between Thornton Tomasetti and Parametrix. As a  
27 result, the proposed amendment sets forth an increase to the contract price of \$580,900. Mr.  
28 Shane further noted that this project needs to be done expeditiously and safely, and  
29 recommended this resolution for approval.

30  
31 Mr. Shinozaki expressed his concern that this amount might become insufficient, and  
32 suggested making even greater allowances in the projection.

33  
34 Upon a motion duly made, seconded and carried by a unanimous vote in favor (Ms.  
35 Torres, Mr. Fiore, Mr. Kraut, Mr. Shinozaki and Mr. Stewart) the following resolution was  
36 ADOPTED:

37  
38 **RESOLUTION**

39  
40 **AUTHORIZATION OF AMENDMENT OF THE**  
41 **CONTRACT WITH PARAMETRIX CONSULTING, INC.**

42  
43  
44 **RESOLVED**, by the Board of Directors of the Roosevelt Island Operating Corporation  
45 of the State of New York (the "Corporation"), as follows:  
46



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2 \*  
3

4 The eighth item of new business was the authorization of extension of contract with  
5 Doppelmayr CTEC, Inc.  
6

7 Mr. Shane reminded the Board that the current contract extension with Doppelmayr  
8 CTEC for the operation and management of the Tram is due to expire on April 30, 2008. The  
9 Tram modernization project is still in the planning and engineering phases. Therefore, Mr. Shane  
10 recommended extending the Corporation's contract with Doppelmayr for another 6-month period  
11 commencing on May 1, 2008.  
12

13 Upon a motion duly made, seconded and carried by a unanimous vote in favor (Ms.  
14 Torres, Mr. Fiore, Mr. Kraut, Mr. Shinozaki and Mr. Stewart) the following resolution was  
15 ADOPTED:  
16

17 **RESOLUTION**

18  
19 **AUTHORIZATION OF EXTENSION OF CONTRACT**  
20 **WITH DOPPELMAYR CTEC, INC.**  
21 **FOR OPERATION AND MANAGEMENT**  
22 **OF THE ROOSEVELT ISLAND AERIAL TRAMWAY**  
23

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24  
25 **WHEREAS**, the Contract between Roosevelt Island Operating Corporation ("RIOC")  
26 and Doppelmayr CTEC Inc. ("Doppelmayr") for operation of the tramway system, dated as of  
27 July 29, 2001 (the "Contract"), is due to expire on April 30, 2008;  
28

29 **WHEREAS**, RIOC now desires to extend the Contract for an additional six-month  
30 period;  
31

32 **NOW THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF**  
33 **DIRECTORS OF THE ROOSEVELT ISLAND OPERATING CORPORATION OF THE**  
34 **STATE OF NEW YORK AS FOLLOWS:**  
35

36 Section 1. that the term of the Contract with Doppelmayr is hereby extended from  
37 May 1, 2008 through October 31, 2008, upon the terms and conditions  
38 substantially similar to those outlined in the Memorandum from Fernando  
39 Martinez to the RIOC Board of Directors dated April 7, 2008, attached  
40 hereto;  
41

42 Section 2. that the President/Chief Executive Officer or his designee shall take such  
43 actions and/or execute such agreements as necessary to effectuate the  
44 foregoing;  
45

46 Section 3. that this resolution shall take effect immediately.

1  
2 \*  
3

4 **COMMITTEE REPORTS**

5  
6 **AUDIT COMMITTEE**  
7

8 Mr. Kraut stated that the Committee did not meet and will not meet until the committee is  
9 properly constituted. Mr. Kraut requested that a third member be appointed to the Committee.  
10 Mr. Shane promised to resolve this situation.  
11

12 **REAL ESTATE DEVELOPMENT ADVISORY COMMITTEE**  
13

14 The Chair of the Committee was not present. Mr. Shane noted that the Committee had  
15 met and recommended the approval of the Orphans International license and the Motorgate  
16 Parking rate increases.  
17

18 Mr. Shinozaki raised the issue of the abandoned parking lot east of the Coler Hospital and  
19 proposed that RIOC develop that area. Mr. Shane recalled there was an arbitration proceeding  
20 with the Hospital administration regarding providing parking to hospital employees. Mr. Shane  
21 promised to look into the issue and provide Mr. Shinozaki with more information.  
22

23 **OPERATIONS/PUBLIC PURPOSE FUNDS ADVISORY COMMITTEE**  
24

25 The Committee did not meet.  
26

27 **GOVERNANCE ADVISORY COMMITTEE**  
28

29 The Committee did not meet. However, Mr. Stewart expressed his support for Mr.  
30 Kraut's statements regarding the composition of the Audit Committee.  
31

32 **PUBLIC SAFETY REPORT**  
33

34 Mr. Shane noted that the report was included in the Board package. Mr. Kraut informed  
35 the Board that he has recently received an email from a journalist who was asked to identify  
36 himself to a Public Safety Department (PSD) officer while taking photographs at Southpoint  
37 Park. Mr. Kraut asked PSD Director, Mr. W. Keith Guerra, to comment on the PSD policy on  
38 that matter. Mr. Guerra clarified that the PSD policy, like that of all police departments, is to  
39 request information, including name, ID, what they are doing, from individuals when reasonable  
40 suspicion exists. Mr. Guerra noted that any person, not only journalists and photographers, could  
41 be asked to identify themselves, even if they hold a press ID. In response to Mr. Shinozaki's  
42 inquiry, Mr. Guerra replied that new staff training is going well.  
43

44 **PRESIDENT'S REPORT**  
45

1 Mr. Shane first addressed the tram project and reminded Board members that a rope slip  
2 was scheduled to be done soon. However, with the impending modernization project, RIOC is  
3 hoping to fix everything at once. Also, Mr. Shane noted that the tramway rescue drill is  
4 scheduled for Sunday, April 13, 2008.

5  
6 On the issue of commercial space, Mr. Shane informed the Board that the Grog Shop  
7 lease has been executed. Also, RIOC is currently looking at the MTA's form of license for retail  
8 space. RIOC is preparing the RFP for restroom facilities at the Lighthouse Park, Firefighters  
9 Field, Capobianco Field, and at each of the entrances to the Southpoint Park.

10  
11 On the steam plant issue, Mr. Shane noted that RIOC is discussing with NYSERDA the  
12 possibility of tapping into the Con Edison pipe that passes under the Island. If this can not be  
13 done, the steam plant would likely have to be decommissioned. On the ferry service front, the  
14 Octagon developer is getting permits and approvals. RIOC is ready to cooperate.

15  
16 Next, Mr. Shane informed the Board that the RIRA nominations of the RIOC Directors  
17 are delayed, because of the recent turnover in the administration in Albany, the ongoing budget  
18 discussions and the congestion pricing debate.

19  
20 Mr. Shane further stated that with 7 new hires in Public Safety Department, RIOC is  
21 considering expanding the PSD offices into the former bakery and Community Center space.  
22 The schematic plans are being developed. PSD has test-driven Segways. RIOC is considering  
23 purchasing them for PSD.

24  
25 Finally, Mr. Shane noted that May 17, 2008 is Roosevelt Island Health and Fitness Day.  
26 He invited everyone to come and enjoy the event.

27  
28 \*

29  
30 Upon a motion duly made, seconded and carried by a unanimous vote in favor  
31 (Ms. Torres, Mr. Fiore, Mr. Kraut, Mr. Shinozaki and Mr. Stewart), the meeting was adjourned  
32 at 12:10 p.m.

33  
34  
35 \_\_\_\_\_  
36 Kenneth Leitner, Secretary  
37