



New York City Economic Development Corporation

MINUTES OF A SPECIAL MEETING  
OF THE LEGAL AFFAIRS COMMITTEE  
OF  
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION  
December 30, 2015

A special meeting of the Legal Affairs Committee (the "Committee") of the Board of Directors of New York City Economic Development Corporation ("NYCEDC") was held, pursuant to notice by an Assistant Secretary, on Wednesday, December 30, 2015.

All members of the Committee were present:

Matthew Hiltzik (by conference telephone)  
Pam Kwatra (by conference telephone)  
James McSpiritt (by conference telephone)

Members of NYCEDC staff and of the public were also present.

The meeting was chaired by Mr. McSpiritt and called to order at 11:01 a.m. Meredith Jones, General Counsel, Executive Vice President and Secretary of NYCEDC, served as secretary of the duly constituted meeting, at which a quorum was present.

1. Captive Counsel Legal Retainer

Busayo Olupona, a Counsel of NYCEDC, presented a proposed legal retainer agreement with Morris Manning & Martin, LLP ("MMM") for the provision of legal services with respect to the formation and establishment of a captive insurance company, on substantially the terms set forth in Exhibit A hereto. Ms. Olupona discussed the procurement process that led to the selection of MMM, pointing out that MMM's background, experience and pricing presented a good fit for NYCEDC. Mr. McSpiritt stated that the City's Law Department had approved the proposed rates for MMM.

It was moved that the Committee authorize a legal retainer agreement with MMM substantially as described in Exhibit A hereto. The motion was seconded and unanimously approved.

2. Maritime/Citywide Ferry Legal Retainer

Karen Lapidus, a Senior Counsel of NYCEDC, presented a proposed legal retainer agreement with Freehill Hogan & Mahar LLP ("FHM") for the provision of legal

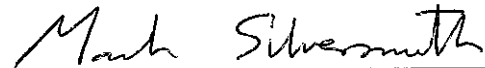
services with respect to the negotiation of a services agreement with an operator for citywide ferry service and related matters, on substantially the terms set forth in Exhibit B hereto. Ms. Lapidus stated that FHM was selected from the four law firms that NYCEDC had contacted using the small purchase procurement method, as FHM's fees and background presented the best combination of quality legal service and price for NYCEDC.

In answer to a question from Mr. Hiltzik, Ms. Lapidus stated that FHM's services would include providing advice about what insurance the ferry operator would obtain. Ms. Lapidus further stated that initially the ferry operator would purchase the ferries, but that it was contemplated that NYCEDC would have a purchase option, and therefore NYCEDC would look to FHM's assistance in determining appropriate warranties. Finally, FHM would serve as a resource for any other issues that might arise. Mr. McSpirtt then stated that the City's Law Department had approved the proposed rates for FHM.

It was moved that the Committee authorize a legal retainer agreement with FHM substantially as described in Exhibit B hereto. The motion was seconded and unanimously approved.

3. Adjournment

There being no further business to come before the meeting, pursuant to a motion made, seconded and unanimously approved the meeting of the Committee was adjourned at 11:14 a.m.



Assistant Secretary

Dated: January 8, 2016  
New York, New York

Exhibit A

**CAPTIVE COUNSEL LEGAL RETAINER  
Legal Affairs Committee Meeting  
December 2015**

**Project:** Provision of legal services with respect to the formation and establishment of a captive insurance company

**Procurement Method:** Small purchase

**Contractor:** Morris Manning & Martin, LLP ("MMM")

**Agreement to be Approved:** A legal retainer agreement (the "Agreement") with MMM for Project services

**Amount to be Approved:** Up to \$100,000

**Source of Funds to NYCEDC:** NYCEDC's programmatic budget

**Proposed Resolution:** To authorize the President and any empowered officer to enter into the Agreement substantially as described herein

**Background:** NYCEDC proposes to create a fully licensed, New York State captive insurance company (the "Captive"). The proposed captive would be a subsidiary of NYCEDC with a separate Board of Directors comprised of NYCEDC employees and/or existing NYCEDC Board members. At its inception, NYCEDC will use the Captive to insure a portion of NYCEDC'S current corporate risk. The Captive will write a combination of insurance lines for NYCEDC's needs. Once established, the Captive will explore the feasibility of also providing some combination of insurance lines to NYCEDC program participants.

In order to form and establish the Captive successfully, NYCEDC needs the legal services of a counsel with extensive experience in the field of captive insurance law, including with respect to the formation of captive insurance companies, the establishment of the appropriate corporate and programmatic structure for captives, operational issues and reviewing, drafting and negotiating insurance policies.

The Agreement was procured using the small purchase procurement method. NYCEDC contacted seven law firms with expertise in captive insurance law, requesting their team's professional backgrounds and proposed fees. MMM's fees and professional background presented the best combination of quality and price for NYCEDC. It is anticipated that the MMM legal team will be led by Partner Robert H. (Skip) Myers. Mr. Myers is the managing partner of the Washington D.C. office of MMM and co-chair of the firm's insurance practice. His practice specializes in financial services, regulatory matters and corporate issues and he represents a variety of insurance entities, trade associations and other corporations. Mr. Myers has recently managed the creation and operation of numerous captive insurance entities in various domiciles, both domestic and offshore.

MMM proposes to charge a rate of \$465 per hour for partners, \$420 per hour for counsels, \$325 per hour for associates, \$220 per hour for paralegals, and will be paid for out-of-pocket expenses. Its fees for the formation and licensure of the Captive will not exceed \$25,000.

Exhibit B

**MARITIME/CITYWIDE FERRY LEGAL RETAINER  
Legal Affairs Committee Meeting  
December 2015**

**Project:** Provision of legal services with respect to the negotiation of a services agreement with an operator for citywide ferry service and related matters

**Procurement Method:** Small purchase

**Contractor:** Freehill Hogan & Mahar LLP ("FHM")

**Agreement to be Approved:** A legal retainer agreement (the "Agreement") with FHM for Project services

**Amount to be Approved:** Up to \$100,000

**Source of Funds to NYCEDC:** NYCEDC's programmatic budget

**Proposed Resolution:** To authorize the President and any empowered officer to enter into the Agreement substantially as described herein

**Background:** The City of New York announced an initiative to promote the provision of citywide ferry services ("CWF") that will increase access to waterfront communities that are currently underserved by public transportation with the intention to not only serve residents and commuters, but also tourists and leisure riders. It is contemplated that the connections made by CWF will increase economic development while providing the general public with access to parks and recreation. Pursuant to a publicly advertised RFP, NYCEDC received proposals from various operators to provide all ferry transportation services ("Ferry Services") in connection with CWF, including, without limitation, providing the ferry vessels, crews, ticketing systems and advertising for CWF. NYCEDC is currently negotiating the terms of an agreement (the "Ferry Services Agreement") for the provision of the Ferry Services with one of the respondents to the RFP.

In order to negotiate the Ferry Services Agreement, NYCEDC needs the legal services of a counsel with extensive experience in the field of maritime law, including without limitation with respect to: (1) insurance to adequately protect NYCEDC and the City from risks associated with ferry service operations, (2) the exercise by NYCEDC of an option to purchase the ferry vessels from the operator that is proposed to be included in the Ferry Services Agreement and (3) bareboat charter arrangements.

The Agreement was procured using the small purchase procurement method. NYCEDC contacted four law firms with expertise in maritime law, requesting their team's professional backgrounds and proposed fees. FHM's fees and background presented the best combination of quality and price for NYCEDC. It is anticipated that the FHM legal team will be led by Partner Wayne D. Meehan. Mr. Meehan has over 30 years experience handling all types of marine claims as well

experience negotiating and drafting charter parties and ship building contracts advising the City's Department of Transportation in connection with contracts for construction of the most recent ferries added to the Staten Island Ferry service. Meehan will be assisted by FHM Partner Gina M. Venzia who has handled a wide variety of contracts in the marine area.

FHM proposes to charge a rate of \$350 per hour for partners, \$200 per hour for associates and \$125 per hour for paralegals, and will be paid for out-of-pocket expenses.