

**MEETING OF THE BOARD OF DIRECTORS**

**of the**

**QUEENS WEST DEVELOPMENT CORPORATION**

**at the offices of the**

**New York State Urban Development Corporation  
d/b/a Empire State Development 37th Floor  
New York, NY 10017**

**On**

**Wednesday**

**October 24, 2018 – 2:00 p.m.**

**AGENDA**

**I. CORPORATE ACTION**

- A. Approval of Minutes of the March 14, 2018 Directors' Meeting

**II. ADMINISTRATIVE ACTION**

- A. Hunters Point (Queens West) Waterfront Development Land Use Improvement Project ("Project") – Procurement of Environmental Consulting Services - Authorization to Amend the Contract with Fleming Lee Shue, Inc. to Continue to Provide Environmental Monitoring Services; and Authorization to Take Related Actions

**Item I. A.**

**QUEENS WEST DEVELOPMENT CORPORATION**

**MINUTES**

of the  
Meeting of the Directors

at the offices of the  
New York State Urban Development Corporation  
633 Third Avenue  
New York, New York 10017

Held on

Wednesday, March 14, 2018

**Directors**

**In Attendance:** Marion Philips - Acting Chair  
Terence Cho  
Matthew Pedersen

**Present for QWDC:** Elizabeth R. Fine, Vice President and General Counsel  
Oluwatobi Jaiyesimi, President  
Debbie Royce, Acting Corporate Secretary

**Also Present:** The Public

The meeting of the Queens West Development Corporation (“QWDC” or the “Corporation”) was called to order at 3:06 p.m. Before beginning with the substantive portion of the meeting, Marion Phillips noted that he would serve as the Acting Chair for today’s meeting.

It was noted for the record that the meeting was being webcast, and that the Directors had received all written material in advance of the meeting. Acting Chair Phillips then noted for

**DRAFT – SUBJECT TO REVIEW AND REVISION**

the record the Corporation's policy which welcomes public comments on the items on the current Agenda.

The Acting Chair then introduced and welcomed Terrence Cho, the newly appointed member of the Board to the meeting.

Acting Chair Phillips asked the Directors whether anyone had any potential conflict of interest with respect to any of the items on the proposed Agenda. Hearing none, the Acting Chair then called for a motion to approve the Minutes of the Directors' meeting of December March 30, 2017.

Director Cho requested an edit to page 4 of the Minutes. He noted it would be helpful to have, in the second paragraph, the words "capital budget of" inserted before the dollar amount of \$1,1510,000. He explained that the way it currently read implies that there are two operating budgets.

With that change noted for the record, and upon motion duly made and seconded, the following resolution was unanimously adopted:

**APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE MARCH 30, 2017,  
MEETING OF THE DIRECTORS OF THE QUEENS WEST DEVELOPMENT CORPORATION**

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RESOLVED, that the Minutes of the meeting of the Corporation held on March 30, 2017 are hereby approved 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.

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**DRAFT – SUBJECT TO REVIEW AND REVISION**

Next, the Acting Chair called on Tobi Jaiyesimi to present the Operating Budget and Capital Budget for Fiscal Year 2018/2019.

Ms. Jaiyesimi explained that the operating expenses for 2017/2018 are \$84,106, in personal services, a portion of her salary, insurance and administrative costs for the Corporation.

Ms. Jaiyesimi then noted that the Capital Budget of \$1,500,000 plus covers the cost that Queens West would have to give towards the completion of the Ranger Comfort Station that State Parks is responsible for, as well as the 47<sup>th</sup> Street Park entrance that is under the jurisdiction of NYC's Department of Design and Construction.

Ms. Jaiyesimi further explained that once both of these projects are completed, the Corporation will have to turn over those funds.

Following the full presentation and in response to a call for question or comments from the Directors, Director Pedersen noted a typo in the materials showing the Capital Budget listed as \$1.55 million on the first page, but on the budget page as \$1.51 million.

Ms. Jaiyesimi stated that she would double check the numbers, noting there might have been a slight increase in the contingency, but that the amount will be kept at \$1.51 million or it might be a typo in the document.

## **DRAFT – SUBJECT TO REVIEW AND REVISION**

Director Pedersen asked for confirmation that the budget for last year was \$1.5 million for both of the projects and Ms. Jaiyesimi confirmed that that was the budgeted amount.

Director Pedersen then asked for confirmation as to when the projects will be completed. Ms. Jaiyesimi explained that since both works are not entirely under QWDC's jurisdiction it would be difficult to confirm completion dates. She noted that she would continue to check in with the other agencies involved and would provide an update to the Directors.

The Acting Chair asked if it would be better to give a written update to the Directors of from State Parks and from NYC's Department of Design and Construction on these projects and Director Pedersen stated that that would be helpful.

Further discussion was had regarding the justification for cost increases.

The Acting Chair then asked for clarification of the amount of the Capital Budget and it was confirmed that the Budget's correct amount should be \$1.53 million.

Following the full presentation and hearing no further questions or comments from the Directors, the Acting Chair called for a motion to accept both budgets with the Capital Budget being revised to the amount of \$1,530,000.

**DRAFT – SUBJECT TO REVIEW AND REVISION**

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

QUEENS WEST DEVELOPMENT CORPORATION ("QWDC" or the "Corporation") –  
Approval of Fiscal Year 2018-19 Budgets – Approval of QWDC's Fiscal Year 2018-19  
(April 1, 2018 – March 31, 2019) Operating and Capital Budgets

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RESOLVED, that subject to the availability of funds, the attached QWDC Operating Budget and Capital Budget for Fiscal Year 2018-19, a copy of which is also ordered filed with the records of the Corporation, be and hereby is approved; and be it further

RESOLVED, that the Corporation is hereby authorized to undertake tasks and incur expenditures consistent with advancing the scope of work contemplated in the proposed Operating and Capital Budgets, subject to the availability of funds; and be it further

RESOLVED, that the President or her designees be, and the same hereby are authorized to execute and deliver on behalf of the Corporation all documents, instruments and agreements that the President shall deem necessary and appropriate to carry out these resolutions; and be it further

RESOLVED, that the President or her designees be, and the same hereby are authorized to take any action necessary and appropriate to carry out the foregoing.

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Lastly, Ms. Jaiyesimi provided her President's Report which was presented for the Directors' information only and did not require any action.

Hearing no further business, the meeting adjourned at 3:18 p.m.

Respectfully submitted,

Debbie Royce  
Acting Corporate Secretary

# **Item II. A.**





**FOR CONSIDERATION**

October 24, 2018

TO: The Directors

FROM: Oluwatobi Jaiyesimi

SUBJECT: Hunters Point (Queens West) Waterfront Development Land Use Improvement Project ("Project") – Procurement of Environmental Consulting Services

REQUEST FOR: Authorization to Amend the Contract with Fleming Lee Shue, Inc. to Continue to Provide Environmental Monitoring Services; and Authorization to Take Related Actions

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**I. CONTRACT SUMMARY**

Consultant: Fleming Lee Shue, Inc. ("FLS" or "Consultant")

Scope of Services: Consultant would continue to monitor QWDC's compliance with the NYS Brownfields Program and Site Management Plan (SMP) at Parcel 8 and along Center Blvd.

Current Contract Term: April 2011 – March 2018 (Seven Years)

Amendment Term: April 2018 – March 2020 / Two (2) year term

Current Contract Amount: \$1,544,144.80

Amendment Amount: Not to exceed \$500,000, per term

New Total Contract Amount: \$2,044,144.80

Funding Source: Queens West Unrestricted Fund

## **II. PROJECT BACKGROUND**

The Hunter's Point (Queens West) Waterfront Development Land Use Improvement Project is the result of an August 1989 Memorandum of Understanding (MOU) between Empire State Development (ESD), the Port Authority of New York and New Jersey (PA), and the City of New York. The Original General Project Plan (GPP) was affirmed in 1991. The plan contemplated the creation of 21 development parcels in three new neighborhoods with north and south residential areas with a commercial core in the middle, a waterfront esplanade, and vast active and inactive green space. In 2010 the Project Plan was modified to develop a blighted and former Brownfields site into a vibrant waterfront community with eleven residential buildings, retail amenities, public parks and open space, two public schools, and a public library.

## **III. CONSULTANT SELECTION PROCESS**

QWDC's 2011 contract with Fleming Lee Shue was issued on a sole source basis because the firm's possession of a proprietary chemical injection method needed to remediate the site. The contract had a 36-month term specifically for environmental remediation work at Parcel 8 and Center Boulevard. In 2013 the contract was amended, on a single source basis, to expand the scope of work to include monitoring and compliance reporting. The chemical injection method was no longer needed once remediation work was complete, but the firm had unique insight that made a single source basis a more appropriate rationale. The single source was authorized based on FLS's in depth and pre-existing knowledge of Parcel 8 from their previous remediation work; Center Boulevard is adjacent to Parcel 8 and the public street had been contaminated by Parcel 8.

The nexus of the sites and FLS's experience with site conditions and the site specific SMP further justified the 2013 single source. In 2016 and 2017 the contract was amended via a single source to continue monitoring the QWDC Site Project.

## **IV. SCOPE OF WORK**

QWDC's environmental monitor will provide the following services:

- Installation, development, and maintenance of groundwater monitoring wells
- Sampling and monitoring of groundwater monitoring wells
- Coordination of waste sampling and removal from well installation and monitoring development according to all applicable regulations
- Preparing groundwater sampling reports
- Site inspections
- Preparing Periodic Review Reports
- Providing QWDC with environmental consulting and oversight services



## **V. CONTRACT – NEED FOR AMENDMENT; PRICE AND FUNDING**

Staff is seeking to amend the contract for \$500,000 over a two-year term to cover the cost of environmental monitoring services at Queens West.

Due to reports of the presence of Dense Non-Aqueous Phase Liquid (“DNAPL”) at Parcel 8, NYS Dept. of Environmental Conservation (DEC) required QWDC to install three new monitoring wells for quarterly testing. Fleming Lee Shue completed the work in May 2017, and the total installation cost billed to QWDC in June 2017 exceeded the amount available in the corporation’s contract with Fleming Lee Shue. This required a contract amendment to cover the cost of outstanding invoices, and monitoring services through the end of the term.

After the 2017 contract amendment staff anticipated issuing a mini-bid to firms on ESD’s pre-qualified list, for environmental monitoring services at Parcel 8 and Center Boulevard. However, new requests from DEC and changes to the construction schedule at Parcel 8 necessitate retaining Fleming Lee Shue’s services.

In July 2018 DEC sent notice to the corporation that groundwater monitoring should continue, and that all monitoring wells be reinstalled at Parcel 8 after the completion of construction activity at the Queens Public Library. These wells were originally installed by Fleming Lee Shue, and the firm has monitored the approved Site Management Plan (SMP) to date.

Additionally, while the groundwater sampling period at Center Boulevard has increased from annually to every five quarters, two new monitoring wells may need to be reinstalled at the site. DEC’s request also requires that reporting be shown with monitoring trends for the last three years. Fleming Lee Shue is privy to and has intimate knowledge of the requested data and reporting system.

No comparable rates are available for the initial contract because of FLS’ use of proprietary remediation methods. However, for the current contract, QWDC staff compared FLS’ rates and services to highly ranked environmental monitoring firms on ESD’s Real Estate Department’s Pre-Qualified list. FLS’s fees for Project Principal, Senior Account Executive and support staff provide the best value for the corporation, especially given the firm’s extensive knowledge of the Project’s history, Site Management Plan provisions, and expertise in monitoring former Brownfield sites.

An analysis of the last two amendments showed that the corporation was unable to cover the contract cost, arrears accrued from previous contract terms, in addition to unanticipated costs related to DEC requests without requesting additional contract extensions. For example, approximately 33% of the funds paid to FLS in 2017 were to cover outstanding invoices from services provided in 2016. To that end, the amount of this contract amendment is higher than previous amendments to ensure that the corporation can properly fund the budgeted cost of environmental monitoring at the Project site through the contract term.

The amended contract terms starts retroactively in April 2018 to ensure that outstanding invoices can be paid to the firm.

**VI. RESPONSIBLE PARTY**

Staff has examined the proposed contractor's "responsibility" as defined in State Finance Law §163, and as provided in ESD's Procurement Guidelines. Based on this analysis of financial and organizational capacity, legal authority to do business in New York, integrity of principals, and past performance on contracts, staff concludes that the proposed contractor is a responsible vendor.

**VII. ENVIRONMENTAL REVIEW**

Staff has determined that the requested authorization constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations promulgated by the NYS Department of Environmental Conservation. No further environmental review is required for this authorization.

**VIII. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY**

ESD's Non-Discrimination and Contractor & Supplier Diversity policies apply to the Contract. FLS is required to include minorities and women in any job opportunities created, to solicit and utilize Minority- and Women-Owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and is required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

**X. REQUESTED ACTION**

The Directors are requested to authorize (i) an extension of the contract with FLS for two additional years, and (ii) to increase the contract amount by a maximum of \$500,000 per term (two years), to a new maximum contract amount not to exceed \$2,044,144.80.

**XI. RECOMMENDATION**

Based on the foregoing, I recommend approval of the requested action.

**XII. ATTACHMENT**

Resolution



October 24, 2018

QUEENS WEST DEVELOPMENT CORPORATION - Hunters Point (Queens West)  
Waterfront Development Land Use Improvement Project - Authorization to Amend the  
Contract with Fleming Lee Shue, Inc. to Continue to Provide Environmental Monitoring  
Services; and Authorization to Take Related Actions

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RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the "Materials"), the Corporation hereby finds the firm of Fleming Lee Shue, Inc. ("FLS") to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to amend its existing contract with FLS to add an additional two (2) years to the contract term for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials; and be it further

RESOLVED, that the Corporation is hereby authorized to further amend its existing contract with FLS to increase the contract amount by a maximum of Five Hundred Thousand Dollars (\$500,000) per term (two years), for a new maximum contract amount of \$2,044,144.80 Two Million Forty-Four Thousand One Hundred and Forty Four Dollars and Eighty Cents; 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 and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

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