



## **NYC Technology Development Corporation**

### **Minutes of a Meeting Held on May 8, 2013 at 9:00 AM In the Board Room at 255 Greenwich Street, 9<sup>th</sup> Floor**

**1. Meeting Called to Order; Quorum Noted**

The meeting was called to order at approximately 9:10 a.m. A quorum was present consisting of Ari Hoffnung, Caswell F. Holloway, Chairperson Rahul N. Merchant, Mark Page and Steven Salzinger.

**2. Approval of Minutes From Meeting on April 9, 2013**

The following resolution was unanimously adopted:

RESOLVED, that the Board of Directors hereby approves the minutes of the Board of Directors meeting held on April 9, 2013, a copy of which is annexed hereto and is hereby ordered filed with the records of the Corporation.

**3. Governance Committee**

After some discussion about the Governance and Audit Committee membership and a motion approved to change the composition to have Ari Hoffnung serve on the Governance Committee instead of Steven Salzinger, as originally proposed, along with Caswell F. Holloway as Chairperson and Rahul M. Merchant in an *ex officio* capacity, the following resolution was unanimously adopted:

RESOLVED, that the Board of Directors hereby establishes a Governance Committee from among its members to have the responsibility of keeping the Board of Directors informed of current best governance practices, reviewing corporate governance trends, updating the Corporation's corporate governance policies, and to perform such other duties as may be prescribed pursuant to the attached Governance Committee Charter; and be it further

RESOLVED, that pursuant to section 6.01 of the By-Laws of the Corporation, in addition to the Chairperson of the Board who, pursuant to section 5.09 of the By-Laws, serves, *ex officio*, as a member of the Governance Committee, the Board of Directors hereby consents to the Chairperson's appointment of the following persons to serve on the Governance Committee at the pleasure of the Board:

Caswell F. Holloway, Committee Chairperson; and  
Ari Hoffnung

**4. Audit Committee**

After some discussion about the Governance and Audit Committee membership and a motion approved to change the composition to have Steve Salzinger serve on the Audit Committee instead of Ari Hoffnung, as originally proposed, along with Mark Page as Chairperson and Rahul M. Merchant in an *ex officio* capacity, the following resolution was unanimously adopted:

RESOLVED, that the Board of Directors hereby establishes an Audit Committee from among its members to perform the duties described in the attached Audit Committee Charter; and be it further

RESOLVED, that pursuant to section 6.01 of the By-Laws of the Corporation, in addition to the Chairperson of the Board who, pursuant to section 5.09 of the By-Laws, serves, *ex officio*, as a member of the Audit Committee, the Board of Directors hereby consents to the Chairperson's appointment of the following persons to serve on the Audit Committee at the pleasure of the Board:

Mark Page, Committee Chairperson; and  
Steve Salzinger

**Items 5 through 9:**

After a motion to block vote items 5 through 9 below, there was a discussion during which it was confirmed by the CIIO and General Counsel that: a) the policies are typical of policies adopted by similar not-for-profit entities and much of the content is legally required; b) the TDC does not intend to acquire or dispose of real property; and c) the TDC does not intend to hold the rights to intellectual property.

Thereafter, Items 5 through 9 were unanimously adopted.

**5. Adoption of Acquisition and Disposition of Property Policy**

RESOLVED, that the proposed Acquisition and Disposition of Property Policy presented at this meeting, a copy of which is annexed hereto and is hereby ordered filed with the records of the Corporation, is approved; and be it further

RESOLVED, that the Corporation's General Counsel is hereby designated as the Contracting Officer of the Corporation pursuant to Article 5-A of the New York State Public Authorities Law and is authorized to implement such Policy.

**6. Adoption of Investment Guidelines**

RESOLVED, that the Corporation's proposed Investment Guidelines presented at this meeting, a copy of which is annexed hereto and is hereby ordered filed with the records of the Corporation, is approved.

**7. Adoption of Travel Policy**

RESOLVED, that the Corporation's proposed Travel Policy presented at this meeting, a copy of which is annexed hereto and is hereby ordered filed with the records of the Corporation, is approved.

**8. Adoption of Indemnification Policy**

RESOLVED, that the Corporation's proposed Indemnification Policy presented at this meeting, a copy of which is annexed hereto and is hereby ordered filed with the records of the Corporation, is approved.

**9. Adoption of Whistleblower Protection Policy**

RESOLVED, that the proposed Whistleblower's Policy presented at this meeting, a copy of which is annexed hereto and is hereby ordered filed with the records of the Corporation, is approved.

**10. Operational Update**

The Chairperson gave an update on the various TDC engagements and current TDC staff. He also circulated an additional document comparing actual costs of the six current TDC IT employees with the costs that would be incurred by using Gartner consultants for the same work.

Mr. Hoffnung and Mr. Salzinger requested that future operational updates include more details on the start date of each project, milestones, budgets, the procurement process where applicable, the current stage of each project and the specific role played by TDC resources. There was also a discussion about the development of “rules of the road” for moving forward with a project, and clear guidelines for transitioning TDC-assisted project away from TDC upon completion. Finally, the Chairperson clarified the extent of TDC involvement in a project that would warrant inclusion on the operational update to the Board, indicating that the project would be included in the update whenever at least one-quarter of a TDC resource’s time was committed to the work.

**11. Authorization to Amend the Contract with the City of New York**

Mr. Hoffnung stated that he could not support the amendment to the contract with the City of New York, citing the TDC’s infancy and the fact that it would be premature to amend the contract to increase the contracting power of the Board or to allow funds to pass from one year to the next. It was suggested that the amendment be reconsidered in a few months’ time. The Chairperson and Mr. Holloway spoke in support of the amendment, saying that it was important for the TDC to be optimally effective in its role as project manager and to avoid reverting back to a siloed approach to IT projects.

Mr. Hoffnung also asserted that a super-majority vote was required to authorize the proposed amendment to the contract with the City of New York. The General Counsel asserted that a majority vote was all that was required under the by-laws and thereafter a vote was held on the item.

The Chairperson declared that the resolution was adopted by a vote of 3-2 with the Chairperson, Mr. Holloway and Mr. Page voting in the affirmative.

RESOLVED, that the proposed amendment of the Contract between the Corporation and the City of New York for the performance of certain information technology services, a copy of which is annexed hereto and is hereby ordered filed with the records of the Corporation, is approved and the Corporation is hereby authorized to enter into such amended Contract.

**12. Authorization to contract for Project Monitoring and Quality Assurance Services**

It was acknowledged that the authorization to contract for Project Monitoring and Quality Assurance Services was contingent upon the amendment of the TDC contract with the City as discussed in the prior item. Thereafter, the discussion of concerns with TDC contracting continued, and Mr. Hoffnung raised the lack of accountability of TDC due to a limited dashboard and the fact that TDC was not yet recording expenditures in Checkbook as it was contractually required to do. The General Counsel pointed out that Checkbook was controlled by the Comptroller and was not accessible to TDC, as a non-City agency, and it was agreed that she would work with a designee at the Comptroller’s

office to gain access. The Chairperson spoke about the importance of the TDC being able to contract directly with Gartner to avoid separate Gartner contracts with multiple agencies, to increase flexibility in assigning Gartner resources where needed and to achieve economies of scale.

Thereafter, a vote was called and the Chair declared that the resolution was adopted by a vote of 3-2 with the Chair, Mr. Holloway and Mr. Page voting in the affirmative.

RESOLVED, that, subject to the approval of the CIO, the officers of the Corporation are authorized to pursue an agreement with Gartner for PMQA services in connection with the citywide implementation of the Enterprise Licensing and Permitting Project at rates that shall not exceed the rates that such PMQA services are currently available to the City, provided that the total value of such contract shall not exceed seven million two hundred thousand dollars (\$7,200,000) for a term not to exceed three years.

**13. Authorization to Negotiate Master On-Call Services Agreements**

After a discussion confirming that the proposed Master On-Call Services Agreements would not require an increase in TDC's existing budget, the following motion was unanimously adopted:

RESOLVED, that the officers of the Corporation are authorized on behalf of the Corporation to negotiate and enter into Master On-Call Services Agreements with the following firms for a not-to-exceed amount of \$1 million per firm per year:

- 1) PSI International, Inc.,
- 2) TEKsystems, Inc. and
- 3) SEP Technology Consulting, LLC.

**14. Approval of the Budget for Corporation's Fiscal Year 2014**

There was a brief discussion of the Proposed Budget and the General Counsel confirmed that the adoption of the proposed four-year budget was required by law. Mr. Hoffnung and Mr. Salzinger indicated that they were unable to support the Budget because it was contingent upon the adoption of the amendment to the TDC's contract with the City, which they had opposed.

Thereafter, a vote was called and the Chair declared that the resolution was adopted by a vote of 3-2 with the Chair, Mr. Holloway and Mr. Page voting in the affirmative.

RESOLVED, that the Corporation's proposed FY'14 Budget presented at this meeting, a copy of which is annexed hereto and is hereby ordered filed with the records of the Corporation, is approved.

RESOLVED, that the Chairperson and the officers of the Corporation be, and each of them hereby is, authorized and directed to cause the Corporation to undertake the tasks and incur the expenditures identified in the FY 2014 Budget.

15. **Adjournment**

Mr. Salzinger commented on the high quality and good work of the TDC to date and commended all involved. Chairperson Merchant adjourned the meeting at 11:00 a.m.

Respectfully submitted,

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Elissa Stein Cushman  
Secretary

RESOLVED, that the Chairperson and the officers of the Corporation be, and each of them hereby is, authorized and directed to cause the Corporation to undertake the tasks and incur the expenditures identified in the FY 2014 Budget.

15. **Adjournment**

Mr. Salzinger commented on the high quality and good work of the TDC to date and commended all involved. Chairperson Merchant adjourned the meeting at 11:00 a.m.

Respectfully submitted,

  
Elissa Stein Cushman  
Secretary