World Trade Center Memorial Foundation

Minutes of a Meeting of the Board of Directors
April 17, 2007

A meeting of the Board of Directors of the World Trade Center Memorial
Foundation, Inc. (the “Foundation”) was held at Gracie Mansion, 88th Street and East End
Avenue, New York, NY on April 17, 2007 at 3:00 p.m.

Directors in Attendance:

Mayor Michael R. Bloomberg, Chairman
Paula Grant Berry
John P. Cahill
Russell L. Carson
Keating Crown
Samuel A. DiPiazza, Jr.
Christine A. Ferer
Patricia E. Harris
William B. Harrison, Jr.
Monica Iken
Thomas S. Johnson (via telephone)
Robert Kasdin
Anthoula Katsimatides
Peter M. Lehrer
Howard W. Lutnick
Julie Menin
Ira M. Millstein
Peter G. Peterson
Emily K. Rafferty
Kevin M. Rampe
Thomas H. Rogér (via telephone)
E. John Rosenwald, Jr.
Andrew M. Senchak
Daniel R. Tishman
Savita B. Wakhlur
Seth Waugh
John C. Whitehead (via telephone)
John E. Zuccotti (via telephone)

Also in Attendance:

Joseph Daniels, President & CEO
Jason R. Lilien, Counsel to the Board & Treasurer/Secretary
Mayor Bloomberg called the meeting to order at approximately 3:15 p.m. He welcomed everyone present and called for a motion to approve the minutes of the meeting of the Foundation’s Board of Directors held on January 25, 2007. Upon motion made and seconded, the Board approved the following resolution unanimously:

RESOLVED, that the minutes of the meeting of the Foundation’s Board of Directors held on January 25, 2007, as presented to the Board, are hereby approved and all actions taken by the Directors presented at such meeting, as set forth in such minutes, are ratified and approved as actions of the Foundation.

Mayor Bloomberg proceeded with his update to the Board. He welcomed Seth Waugh, who was elected a Director at the January Board meeting, and said that Howard Milstein has been nominated for election at this meeting. He made complimentary remarks about both individuals. Mayor Bloomberg stated that since the January Board meeting the Foundation has had a very productive period in fundraising, with over $50 million raised. The fundraising level has now surpassed $300 million. Mayor Bloomberg noted that the Foundation held two successful “industry cultivation events” during the first quarter of 2007. These events targeted the real estate and law sectors and raised approximately $14 million to date. He thanked John Zuccotti, Ira Millstein and Kevin Rampe for hosting these events, and discussed upcoming industry events. In concluding, Mayor Bloomberg also stated that progress had been made on the construction front, and noted that the steel package is expected to be awarded ahead of schedule.

Mayor Bloomberg then asked Joseph Daniels to give the President’s report. Mr. Daniels provided an overview of the subjects on the agenda. He then gave a progress report to the Board on the achievement of the objectives for the first quarter of 2007. Mr. Daniels stated that the Foundation is making progress in each area of its work and, in particular, noted that the Foundation had surpassed its goal of reaching 30,000 donors by March 1st. He stated that William Goldstein had left the Foundation’s employment to take a position with the Port Authority, and introduced Joan Gerner as the Foundation’s new Executive Vice President of Design, Construction and Capital Planning. He described Ms. Gerner’s background and
experience as an architect, construction manager and historic preservationist and stated that the Foundation will benefit from her contribution to the project. Dan Tishman also commented favorably on Ms. Gerner’s appointment.

Mayor Bloomberg then introduced Ira Millstein to present the report of the Nominating, Governance and Compensation Committee.

Mr. Millstein stated that Christine Ferer has joined John Rosenwald as Co-Chair of the Development Committee and that Paula Grant Berry has joined Howard Lutnick as Co-Chair of the Program Committee. He also stated that the Nominating, Governance and Compensation Committee has nominated Howard Milstein as a Director, and he provided biographical background on Mr. Milstein.

Upon the conclusion of Mr. Millstein’s remarks, Mayor Bloomberg called for a motion to approve the election of Howard Milstein to the Foundation’s Board of Directors. Upon motion made and seconded, the Board approved the following resolution unanimously.

RESOLVED, that the number of Directors constituting the entire Board of Directors is hereby increased to forty-three (43) Directors; and be it

FURTHER RESOLVED, that to fill the vacancy resulting from such increase in the number of Directors, Howard P. Milstein is hereby elected as a Class I Director of the Foundation, to serve until the next annual meeting of the Board of Directors, or until his successor has been duly elected and qualified.

Mayor Bloomberg then introduced Robert Kasdin to provide the report of the Finance and Investment Committee.

Mr. Kasdin discussed the Foundation’s financial results for the first quarter of 2007. He stated that staff has reported that the funding mechanism contemplated by the LMDC Subrecipient Agreement is in place and working. Mr. Kasdin then stated that that the Finance and Investment Committee met on April 9th to review the two funding items before the Board at this meeting: the retention of the marketing, public relations and events planning firm to assist with the national grassroots fundraising tour and the retention of an exhibition design firm to assist with planning matters regarding the Memorial Museum. Mr. Kasdin stated that the Finance and Investment Committee is recommending, from a financial perspective, Board approval of both retentions. He also stated that, subject to Board approval, staff will enter into negotiations with the firms selected within amounts approved by the Finance and Investment Committee and the Board. Mr. Kasdin concluded his remarks by discussing the Committee’s review of the placement of certain insurance coverage.

Mayor Bloomberg then introduced John Rosenwald and Christine Ferer to provide the report of the Development Committee.
Mr. Rosenwald welcomed Christy Ferer as Co-Chair of the Development Committee. He then reiterated the significant progress the Foundation has made in fundraising. He noted that in the short period that Mayor Bloomberg has been Chairman, over $160,000,000 has been raised, and he thanked Mayor Bloomberg for his leadership in this effort. He stated that the Foundation’s donors represent all fifty states and twenty-three foreign nations. Mr. Rosenwald further discussed the industry cultivation events that the Mayor mentioned earlier in the meeting, and identified sectors that will likely be targeted. Mr. Rosenwald then reported on other fundraising efforts and updated the Board on funding plan projections versus actuals, noting that the actuals are far ahead of the targets in the funding plan.

Mr. Rosenwald then introduced Christine Ferer. Ms. Ferer discussed other fundraising initiatives, including one which would offer donors an opportunity to become caretakers of the Memorial Plaza. Ms. Ferer then reported on the selection of firms to assist with the national grassroots fundraising tour that Joe Daniels spoke about at the last Board meeting. She discussed the firms selected -- Octagon, Jack Morton Worldwide and Weber Shandwick -- and the rationale for their selection.

Joseph Daniels described the process used in selecting these firms and the scope of services to be provided by them. He stated that the Board was being asked to approve their selection for the first phase of the campaign, and that additional Board approval will be necessary to extend this contract into subsequent phases.

Christine Ferer then stated that the Development Committee has reviewed and recommended approval of the selection of Octagon, Jack Morton Worldwide and Weber Shandwick. Mayor Bloomberg then called for a motion to approve the retention of these firms. Upon motion made and seconded, the Board approved the following resolution, with one abstention:

RESOLVED, that the Foundation is hereby authorized to enter into one or more agreements with Octagon, Jack Morton Worldwide and Weber Shandwick for marketing, public relations and strategic planning services in connection with the creation and execution of a national broad-based campaign to raise awareness and funds to build the World Trade Center Memorial and Memorial Museum, as described in the materials presented to the Board at this meeting; and be it

FURTHER RESOLVED, that such agreement(s) shall be for an amount not to exceed $1,500,000 in the aggregate and for a term not to exceed two years; and be it

FURTHER RESOLVED, that the proper officers of the Foundation are hereby authorized to take any such action as may be necessary or appropriate to effect the foregoing.
Next Mayor Bloomberg asked John Zuccotti to present the report of the Design, Construction and Real Estate Committee.

Mr. Zuccotti stated that the Executive Committee met in March and approved the awarding of the jumbo steel package, which represents the start of major steel production for the project, and that bids had been received for the remainder of the steel package. He then provided the Board with an update of construction activities at the site. Mr. Zuccotti next discussed the assignment from the LMDC of the architectural design agreements for the Memorial and Memorial Museum, including the Museum Pavilion. The design agreements are currently between the LMDC and Davis Brody Bond LLP, Handel Architects, and Snohetta AS. He explained that the Subrecipient Agreement with the LMDC contemplated that these agreements would be assigned to the Foundation. He discussed key terms pertaining to the assignments and stated that the Design, Construction and Real Estate Committee is recommending that the Board approve the assignments.

After discussion on the resolution, Mayor Bloomberg called for a motion to approve the assignment of the design agreements. Upon motion made and seconded, the Board approved the following resolution unanimously.

WHEREAS, the Lower Manhattan Development Corporation (“LMDC”) has previously entered into agreements with Davis Brody Bond LLP, Handel Architects and Snohetta AS for design services relating to the World Trade Center Memorial, Memorial Museum and the Visitor’s Orientation and Education Center (“Design Contracts”); and

WHEREAS, the Subrecipient Agreement between the Foundation and the LMDC relating to LMDC’s $250 million contribution to the Foundation contemplates the assignment of the Design Contracts to the Foundation;

NOW, THEREFORE, BE IT

RESOLVED, that the Foundation is hereby authorized to accept assignments of the Design Contracts from the LMDC, subject to a determination, satisfactory to the Foundation President and the Chairs of the Design, Construction and Real Estate Committee, of the final amount of the Design Contracts that will be applied to LMDC’s $250 million contribution, as described in the materials presented to the Board at this meeting; and be it

FURTHER RESOLVED, that the proper officers of the Foundation are hereby authorized to execute and deliver one or more assignment and assumption agreements and such other agreements, and to take any such other action, as may be necessary or appropriate to effect the foregoing.

Mayor Bloomberg then introduced Howard Lutnick and Paula Grant Berry to present the report of the Program Committee.
Howard Lutnick welcomed Paula Grant Berry as Co-Chair of the Program Committee. He stated that the Committee met on April 11th to review program development to date, with a focus on the articulation of objectives for the Memorial Museum. Mr. Lutnick read a set of objectives prepared by the Foundation staff which represented its distillation of the core principles underlying the Memorial Museum. He also discussed the importance of developing the vision and mission of the Museum, and noted that the Committee reviewed a draft mission statement, which he said the staff and the Program Committee will continue to refine. He stated that the Foundation is also working on collaborative agreements regarding programming.

Mr. Lutnick then turned to a discussion of the draft Collections Management Policy prepared by Foundation staff and reviewed by the Program Committee. He explained the importance of having such a policy in place, and described several refinements that were made at the request of the Program Committee. He stated that the Program Committee is recommending that the Board approve the draft Collections Management Policy, as presented to the Board.

Mayor Bloomberg called for a motion to approve the Collections Management Policy. Upon motion made and seconded, the Board approved the following resolution unanimously:

RESOLVED, that the Collections Management Policy for the World Trade Center Memorial Museum, as presented to the Board at this meeting, is hereby approved.

Mayor Bloomberg then introduced Paula Grant Berry. Ms. Berry stated that the Program Committee reviewed the staff’s recommendation for the selection of a lead exhibition design firm for the Memorial Museum. She discussed the selection process used and provided background on the firm selected. Ms. Berry then introduced Alice Greenwald to further discuss the selection process and to provide details about the proposed agreement with the firm. Upon conclusion of Ms. Greenwald’s remarks, Ms. Berry stated that the Program Committee is recommending that the Board authorize the retention of Thinc Design as the lead exhibition design firm for the Memorial Museum, which will work in partnership with Local Projects, LLC.

Mayor Bloomberg called for a motion to approve the selection of the exhibition design firm. Upon motion made and seconded, the Board approved the following resolution, with one abstention:

RESOLVED, that the Foundation is hereby authorized to enter into one or more agreements with Tom Hennes, Inc. d/b/a Thinc Design for exhibition design services for the World Trade Center Memorial Museum, which will cover the pre-design and schematic design phases of the exhibition design
process, as described in the materials presented to the Board at this meeting; and be it

FURTHER RESOLVED, that such agreement(s) shall be for an amount not to exceed $1,907,846 in the aggregate and for a term beginning May 1, 2007 and ending April 30, 2008; and be it

FURTHER RESOLVED, that the proper officers of the Foundation are hereby authorized to take any such action as may be necessary or appropriate to effect the foregoing.

Mayor Bloomberg then introduced Samuel DiPiazza to present the report of the Audit Committee.

Mr. DiPiazza stated that the Audit Committee met on March 20th with members of the external auditing firm, O’Connor Davies Munns and Dobbins, which completed its audit of the Foundation’s financial statements for fiscal year 2006. He noted that there were no significant deficiencies or material weaknesses reported in the firm’s management letter. Mr. DiPiazza said the Audit Committee is recommending that the Board accept the audit as presented.

Mr. DiPiazza also stated that the Audit Committee reviewed and approved an Internal Audit Charter and the 2007 Internal Audit Plan, as developed by the Foundation’s new Internal Audit Director.

Upon conclusion of Mr. DiPiazza’s report, Mayor Bloomberg called for a motion to accept the 2006 Fiscal Year Audit. Upon motion made and seconded, the Board approved the following resolution unanimously.

WHEREAS, the Audit Committee of the Foundation has reviewed and discussed with management and with the Foundation’s independent auditor, O’Connor Davies Munns & Dobbins, the audited financial statements of the Foundation for fiscal year ended December 31, 2006 (the “2006 Audited Financial Statements”), together with the Independent Auditor’s Report contained therein, and, based upon the foregoing, the Audit Committee has recommended to the Board of Directors that the Board accept the 2006 Audited Financial Statements;

NOW, THEREFORE, BE IT

RESOLVED, that the 2006 Audited Financial Statements of the Foundation are hereby accepted, a copy of which shall be filed with the records of the Foundation.

Mayor Bloomberg briefly discussed potential agenda items for subsequent board meetings. He then thanked the Directors for attending the meeting, and stated that the next Board meeting will be held on July 17, 2007.
The meeting was adjourned at approximately 4:15 p.m.