

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE
OF THE HUDSON YARDS INFRASTRUCTURE CORPORATION**

April 29, 2019

A meeting of the Audit Committee (the “Committee”) of Hudson Yards Infrastructure Corporation (the “Corporation”) was held on April 29, 2019 at approximately 4:09 p.m. at 255 Greenwich Street, Conference Room 6M4, New York, New York.

The following members of the Committee were represented by their alternates:

Melanie Hartzog, Director of Management and Budget of The City of New York (the “City”), represented by Alan Anders;

Scott M. Stringer, Comptroller of the City, represented by Marjorie Henning;

Corey Johnson, Speaker of the City Council, represented by Raymond Majewski;
and

Dean Fuleihan, First Deputy Mayor for Economic Development of the City,
represented by Carl Rodrigues;

constituting a quorum of the Board. Loran Radovicka served as secretary of the meeting.

Also in attendance were members of the public, officers of the Corporation and employees of various agencies of The City of New York.

The meeting was called to order by Mr. Anders.

Approval of Minutes

The first item on the agenda was approval of the minutes of the meeting of September 28, 2018. A motion was made to approve the resolution set forth below approving such minutes. The motion was seconded and, there being no objections, duly adopted.

WHEREAS, the Audit Committee of the Hudson Yards Infrastructure Corporation has reviewed the minutes of the Audit Committee meeting held on September 28, 2018; it is therefore

RESOLVED, that the minutes of the Audit Committee meeting of September 28, 2018 be, and they hereby are, approved.

Review of Annual Agency Financial Integrity Compliance Statement

The second item on the agenda was the review of the Corporation's Annual Agency Financial Integrity Compliance Statement, a copy of which was in the materials provided to the Committee members. Mr. Anders explained that pursuant to Section 6.0 of the Directive 22 of the Comptroller of the City, the Committee must review the Corporation's annual Financial Integrity Compliance Statement. Mr. Anders stated that Robert Balducci, the Deputy Comptroller of the Corporation, was available to explain the Financial Integrity Compliance Statement.

Annual Self-Evaluation and Review of Annual Report of the Audit Committee

The third item on the agenda was the Annual Self-Evaluation and review of the Annual Report of the Committee. A motion was made and seconded to enter into discussion of the proposed resolution set forth below with respect to these matters. Mr. Anders noted that pursuant to Section III(k) of the Audit Committee Charter, the Committee is required to conduct an annual self-evaluation. The Annual Report, which describes the Committee's activities during calendar year 2018, was contained in the packet provided to the Committee members. Mr. Anders indicated that based on the Committee's accomplishments in the previous calendar year,

he believes that the Committee has performed its duties in a satisfactory manner. The resolution expresses this view and approves the presentation of the Annual Report to the Board of Directors. There being no discussion and no objections, the resolution was approved.

WHEREAS, Section III(k) of the Audit Committee Charter and Section 5.3 of Directive 22 of the City of New York Office of the Comptroller require the Audit Committee to issue an annual report to be prepared no later than October 30 of each year, which details the activities and decisions of the Committee for the prior calendar year; and

WHEREAS, the Audit Committee has reviewed the Annual Report of the Audit Committee, as attached hereto and finds it to be reasonable; and

WHEREAS, Section III(j) of the Audit Committee Charter requires the Audit Committee to conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the Audit Committee Charter; and

WHEREAS, the Audit Committee finds its performance to be satisfactory, effective, and in compliance with the Audit Committee Charter; it is therefore

RESOLVED, that the Annual Report of the Audit Committee is hereby approved and shall be presented to the Board of Directors of the Hudson Yards Infrastructure Corporation, copies of which shall be filed with the minutes of the Audit Committee and submitted to the Bureau of Accountancy of the Office of the Comptroller

Review of Internal Controls

The fourth item on the agenda was the annual review of the Internal Controls of the Corporation. Mr. Anders explained that pursuant to the Audit Committee Charter, section III(h), the Committee must annually review the Internal Controls policy. Mr. Anders noted that no changes to the policy were proposed.

Recommendation to the Board of Directors – Approval of Extension of Independent Auditors

Contract

The fifth item on the agenda was the recommendation to the Authority's Board of Directors to extend the Corporation's current contract with the independent auditors. A motion

was made and seconded to approve the resolution set forth below relating to such matters. Mr. Anders explained that the Corporation plans to conduct a competitive Request for Proposals seeking independent auditor services for a period beginning with the fiscal years ended June 30, 2020, and in the interim seeks to extend its current contract with Marks Paneth, LLP (“Marks Paneth”) to serve as the Corporation’s independent auditor for the fiscal year ending June 30, 2019. There being no discussion and no objections, the below resolution was approved.

WHEREAS, following a request for proposals for independent auditors, the Board of Directors previously authorized the Corporation to enter into a contract with Marks Paneth to serve as independent auditors for the Corporation’s financial statements for the fiscal years ending June 30, 2015, 2016, 2017 and 2018; and

WHEREAS, the Corporation, in conjunction with other issuers, plans to conduct a competitive Request for Proposals seeking independent auditor services for a period beginning with the fiscal years ended June 30, 2020; and

WHEREAS, to ensure there is no lapse in service, the Corporation’s staff recommends the Corporation extend its current contract with Marks Paneth to provide independent auditor services for the fiscal year ended June 30, 2019, for the same rates as previously approved by the Board of Directors for work done in connection with the Corporation’s financial statements for the fiscal year ended June 30, 2018; and

WHEREAS, the Audit Committee has reviewed the proposal and finds it to be reasonable and prudent; it is hereby

RESOLVED, that the Auditor Committee hereby recommends the Board of Directors authorize the Officers of the Corporation to enter into an agreement with Marks Paneth to serve as independent auditors for the Corporation’s financial statements for the fiscal year ending June 30, 2019, which agreement shall contain such other terms and conditions which are not inconsistent with this resolution as the staff of the Corporation shall determine, and which agreement shall provide for compensation not to exceed the rates listed below.

Audit \$23,000

Special Projects (per hour)

Position	FY 2019
Partner	\$325
Manager	\$190
Senior	\$150
Associate	\$130
Specialists	\$240

Presentation of Audit Plan by Independent Auditors and Discussion of New Accounting and Auditing Standards

The sixth and final item on the agenda was the presentation of the Annual Pre-Audit Presentation (for the Audit Year ending June 30, 2018) (the “Audit Plan”) by Marks Paneth, the independent auditors of the Corporation, with respect to the annual financial statements of the Corporation. Mr. Balducci introduced Warren Ruppel, as the engagement partner at Marks Paneth. Mr. Ruppel explained and discussed the Audit Plan, which had been distributed to the Committee members. Mr. Ruppel provided an overview of the Plan and discussed internal control procedures. A brief discussion ensued.

Adjournment

There being no further business to come before the Committee, upon motion duly made and seconded, there being no objections, the meeting was duly adjourned.


ASSISTANT SECRETARY