



MINUTES

NEW YORK STATE THRUWAY AUTHORITY

BOARD MEETING NO. 658

March 21, 2007

Minutes of a meeting of the New York State Thruway Authority, held in the Board Room at Administrative Headquarters, 200 Southern Boulevard, Albany, New York, 12209 and by video conference from the New York State Thruway Authority's New York Division, 4 Executive Boulevard, Suffern, New York, 10901.

The meeting began at 10:40 a.m.

There were present:

John L. Buono, Chairman

E. Virgil Conway, Board Member, via video conference

Erin M. Crotty, Board Member

Frederick M. Howard, Board Member

Kevin J. Plunkett, Board Member

Jeffrey D. Williams, Board Member

Constituting a majority of the members of the Thruway Authority Board.

Ms. Carey Cassidy was not present at this meeting and did not vote on any of the Items.

In addition, there were present the following staff personnel:

Michael R. Fleischer, Executive Director

John Bryan, Chief Financial Officer

Sharon O'Conor, General Counsel

William Rinaldi, Director, Albany Division

Joanne Riddett, Director, Information Technology

Jill Warner, Secretary and Board Administrator

Major George Beach, Troop T

Daniel Gilbert, Chief of Staff
Wendy Allen, Deputy Chief of Staff
John Barr, Director, Administrative Services
Donald Bell, Director, Operations and Maintenance
Carmella Mantello, Director of Canal Corporation
Michael Flynn, Director, Audit & Management Services
Kevin Allen, Unit Supervisor, Audit & Management Services
Ramesh Mehta, Director, New York Division
Cathy Sheridan, Canal Capital Program Manager
Richard Harris, Deputy Director of Canal Community Development & Land Management
Betsy Graham, Acting Director, Office of Public Affairs
John Brizzell, Transportation Federation Liaison
Tracie Sandell, Assistant Counsel
Liz Yanus, Office Manager, Office of the Deputy Chief of Staff
Kathy Taylor, Cash Management Analyst, Bureau of Debt Management
Michael Sikule, Director, Office of Investments and Asset Management
Jim Chicoine, Director, Office of Capital Program Management
Richard Garrabrant, Director, Syracuse Division
William Leslie, Director, Buffalo Division
Lawrence Frame, Deputy Director, Canal Office of Operations, Maintenance & Engineering
Richard Matters, Real Estate Specialist 2, Real Property Management
Kenneth Flood, Director, Real Property Management
Dorraine Steele, Director, Office of Fiscal Audit and Budget
Tom Gemmiti, Director, Office of Design
Kara Lanspery, Director of Customer Relations, Operations and Maintenance
Tom Pericek, Deputy Director, Buffalo Division
Mark Andersen, Director, Travelers' Services
Also in Attendance:
Stanley Kramer, Bond Counsel, Hawkins Delafield & Wood, LLP
Steven Kantor, Managing Director, First Southwest Company
Angela Rodell, Senior Vice President, First Southwest Company
William Kahn, Partner, UHY, LLP
Robert Urban, Senior Manager, UHY, LLP
Geraldine Gauthier, General Public
Trudy Menard, Repair Shop Association

Chairman Buono noted that he, Mr. Howard, Mr. Plunkett, Mr. Conway, Ms. Crotty and Mr. Williams had received and reviewed the Agenda submitted for consideration at this meeting and were prepared to act on each of the items.

The Chairman called the meeting to order.



Ms. Warner recorded the minutes as contained herein.

Public notice of the meeting had been given, Ms. Warner said.

Item 1 Ms. Warner (Appendix A)

Minutes of Meeting No. 656

On the motion of Mr. Howard, seconded by Mr. Plunkett, without any objections, the Board approved the minutes of Meeting No. 656 held on January 17, 2007, which were made available to the Board Members as part of the Agenda.

Mr. Plunkett made the following statement and asked that it be included in the minutes: "At the January 17, 2007 Authority Board meeting, I recused myself from the resolution designating several underwriting firms. I have previously disclosed to the Authority Board by memorandum, that my son is employed at Citigroup. Therefore, I request that the record reflect, pursuant to the attached letter from Citigroup, that my son, Kevin Plunkett, is employed at Citigroup in an entry level analyst position and that he is not involved with Authority or New York State financings and as such, will not be providing underwriting services to the Authority."

Item 2 by Ms. Warner (Appendix B)

Minutes of Meeting No. 657

On the motion of Ms. Crotty, seconded by Mr. Howard, without any objections, the Board approved the minutes of Meeting No. 657 held on February 15, 2007, which were made available to the Board Members as part of the Agenda.

Item 3 by Mr. Bryan (Appendix C)

Financial Reports – December 2006 and January 2007

Mr. Bryan reported that Toll Revenues in 2006 were approximately \$43.0 million over the level collected in 2005, mainly due to the full year impact of the toll adjustment implemented in May 2005, offsetting lost toll revenue resulting from the suspension of toll collection at the Black Rock and City Line Barriers in November and the detrimental impact high gas prices had on traffic growth this past summer.

For concession revenues, a \$2.0 million year-to-year decrease was the result of reduced food and fuel sales due to lower traffic growth in the summer months and structural changes implemented in the new concessionaire contracts. Interest earnings increased by \$3.5 million due to higher market yields in 2006. Finally, special hauling



Item 3 by Mr. Bryan (Appendix C)

Financial Reports – December 2006 and January 2007 (Continued)

permits and sundry revenues increased by approximately \$600,000. As a result of these trends, total Thruway Revenues increased by approximately \$46 million between 2005 and 2006.

On the expense side, Thruway Operating Expenses in 2006 were \$25.5 million above the 2005 level. As noted in previous monthly reports, nondiscretionary expenses, such as growing health insurance premiums, pension costs and high fuel and electricity costs are driving increases in the Authority budget from year-to-year. Also contributing to this increase is a \$20 million expense which resulted from the settlement and judgement, respectively, of two large outstanding claims against the Authority. After adjusting for the impact of these two large claims and the increase in mandated costs, Thruway Operating Expenses in 2006 actually decreased by approximately \$350,000 – illustrating the impact of ongoing cost containment efforts at the Authority.

Relative to the expended litigation costs, Mr. Plunkett asked if the two claims totaling \$20 million had been settled. Ms. O’Conor responded, advising that the Church case was settled last year for \$12 million. The Lamendola case has not yet been settled; a \$3 million judgement has been sustained on appeal and a portion of the remaining judgement may be appealed.

Canal Operating Expenses grew by \$9.8 million between 2005 and 2006. As with Thruway Operating Expenses, a good portion of this increase is attributable to higher mandated costs but there were some new, required operating projects such as the Utica Harbor remediation, canal trail work, repair and reconstruction of Lift Bridges and required underwater structural inspections that the Corporation began in 2006. On top of these items, the devastating summer floods increased overtime, and materials and other expenses had a negative impact on the Canal budget. After adjusting for these issues, the underlying Canal operating budget grew by only \$1.5 million dollars which is also a good sign that cost containment is continuing to work well at the Corporation.

The Capital Program in 2006 grew by \$95.4 million over the 2005 level. 2006 was the first full year of the Multi-Year Capital Program. Notable projects that were funded in 2006 include: Tappan Zee Bridge Redecking Project, Phase 2 of the I-87/I-84 Interchange, and significant Pavement Resurfacing on I-95, I-87 and on the Erie Section.



Item 3 by Mr. Bryan (Appendix C)

Financial Reports – December 2006 and January 2007 (Continued)

The 2006 Revised Financial Plan anticipated that the Authority would expend \$802.9 million towards its operating and capital needs. However, ongoing delays in the Tappan Zee Bridge Redecking Project, a few minor delays in other Thruway Capital projects and the impact the flood had on Canal Capital projects forced a reduction in capital expenditures for the year, which was the real driver in the actual 2006 results coming in about \$44 million less than in the Revised Financial Plan and \$150 million less than the original budget anticipated. As a result, in 2006 the Authority required fewer bond proceeds and reserve funds to support the Capital Program.

Mr. Plunkett asked Mr. Bryan if he was comfortable with the figures other than the extraordinary expenses. Mr. Bryan responded affirmatively, noting that cost containment measures have been effective.

Mr. Williams asked why equipment was not capitalized. Ms. Steele cited a change in accounting policy in which equipment valued at less than \$5,000 is not considered capital.

Following discussion regarding the financial condition of the Authority, on the motion of Mr. Plunkett, seconded by Mr. Williams, without any objections, the Board accepted the Financial Reports for the months of December 2006 and January 2007.

Item 4 by Mr. Bryan (Appendix D)

Investment Transactions

Following discussion regarding the purchase of authorized securities, repurchase agreements and certificates of deposit on the motion of Ms. Crotty, seconded by Mr. Howard, without any objections, the Board accepted the Authority's quarterly report on Investment Transactions.

Item 5 by The Audit Committee (Appendix E)

Report of UHY, LLP Examination of the Authority's Financial Statements and Report on Compliance with Investment Guidelines

The Committee requested that the Board accept the Authority's Financial Statements and Report on Compliance with Investment Guidelines. Bill Kahn, Partner at UHY, LLP, summarized the materials. Mr. Kahn reported that UHY had recently completed the 2006 audit and issued an unqualified opinion that the Statements fairly presented the financial condition of the Authority.



Item 5 by The Audit Committee (Appendix E)

Report of UHY, LLP Examination of the Authority's Financial Statements and Report on Compliance with Investment Guidelines (Continued)

He noted that the Audit Committee had reviewed and discussed the audit plan and internal controls. UHY determined that no internal controls were deemed reportable conditions that required elevation to the Board level. Chairman Buono acknowledged UHY's commendation of Authority staff in their efforts in assisting with the audit. Mr. Howard stated that the Audit Committee reviewed the reports in great detail and recommended Board acceptance.

After full discussion, on the motion of Mr. Howard, seconded by Mr. Williams, without any objections, the Board accepted the Report of UHY, LLP Examination of the Authority's Financial Statements and Report on Compliance with Investment Guidelines.

Item 6 by Mr. Bryan (Appendix F)

Review and Approval of the Authority's Annual Investment Report

After full discussion, on the motion of Mr. Plunkett, seconded by Ms. Crotty, without any objections, the Board adopted the following resolution:

RESOLUTION NO. 5586
REVIEW AND APPROVAL OF THE AUTHORITY'S
ANNUAL INVESTMENT REPORT

RESOLVED, that the Authority's Investment Report including the revised policy statement FINANCIAL INVESTMENTS, the annual report by the independent auditors, and the listing of investment income has been reviewed and is hereby approved, and be it further

RESOLVED, that this resolution be incorporated in the minutes of this meeting



Item 7 by Mr. Bryan (Appendix G)

Declaring Surplus to the Authority's Present Needs, Leaseholds in and to Real Property Reference Nos. 516, 519, and 521; Accepting the Highest Rent Offered for Such Leaseholds Via a Request for Proposals; and Authorizing the Authority's Execution of Lease Agreements to Use Such Property for Vehicular Parking

Mr. Bryan requested the Board approve leases for three parking lots in the Buffalo Division pursuant to the real property policies of the Authority and in accordance with the provisions of the Public Authorities Accountability Act. The proposed leases would go to the highest bidders for a three year term, and have an optional one-year renewal with a 3 percent rental increase and only on the sole determination of the Authority. The net present value of these leases over the three-year lease term is \$281,430.

Mr. Bryan disclosed the bids for each lot:

For Lot 1, the lease will be awarded to Allpro Parking who had the highest bid at \$69,261. Skydeck Corporation and Standard Parking Corporation also put in bids at \$68,912 and \$64,337, respectively.

For Lot 4, the lease will be awarded to Skydeck Corporation who had the highest bid at \$54,615. Cathedral Park Tower, Standard Parking Corporation and Allpro Parking also put in bids at \$49,182, \$44,321 and \$40,146, respectively.

For Lot 6, the lease will be awarded to Skydeck Corporation who had the highest bid at \$157,554. Allpro Parking and Standard Parking Corporation also put in bids at \$153,079 and \$121,525, respectively.

Mr. Plunkett asked for clarification of the one-year renewal option. Mr. Bryan explained that it was a three-year lease with the Authority's option to extend it to four years. Mr. Williams asked how many total lots the Authority leases and if Allpro Parking, LLC leases most of them. The responses were 11 and yes, respectively. Mr. Howard asked as to the status of Lot 8. Mr. Bryan indicated that it would be re-bid because the responsive bids were slightly below the appraised amount. When reissued, the RFP will be modified to include the minimum bid.

After full discussion, on the motion of Mr. Howard, seconded by Mr. Plunkett, without any objections, the Board adopted the following resolution:



Item 7 by Mr. Bryan (Appendix G)

Declaring Surplus to the Authority's Present Needs, Leaseholds in and to Real Property Reference Nos. 516, 519, and 521; Accepting the Highest Rent Offered for Such Leaseholds Via a Request for Proposals; and Authorizing the Authority's Execution of Lease Agreements to Use Such Property for Vehicular Parking

(Continued)

RESOLUTION NO. 5587

DECLARING SURPLUS TO THE AUTHORITY'S PRESENT NEEDS, LEASEHOLDS IN AND TO REAL PROPERTY REFERENCE NOS. 516, 519, AND 521; ACCEPTING THE HIGHEST RENT OFFERED FOR SUCH LEASEHOLDS VIA A REQUEST FOR PROPOSALS; AND AUTHORIZING THE AUTHORITY'S EXECUTION OF LEASE AGREEMENTS TO USE SUCH PROPERTY FOR VEHICULAR PARKING

RESOLVED, that the Authority hereby finds and determines that Real Property Reference Nos. 516, 519, and 521 (hereinafter "Lot Nos. 1, 4, and 6," respectively, or, collectively, the "Lots"), described in Exhibit 2 of this agenda item, are not presently necessary for its corporate purposes, and, therefore, hereby declares the Lots surplus to the present needs of the Authority; and be it further

RESOLVED, that the highest rents offered in response to a request for proposals by Allpro Parking, LLC for Lot No. 1 and Skydeck Corp. for Lot Nos. 4 and 6, as enumerated in this agenda item, be, and the same hereby are, accepted; and be it further

RESOLVED, that the Executive Director, or his designee, be, and the same hereby is, authorized to execute Lease Agreements substantially in the form included in the RFP, along with all other documents necessary to effectuate the leasing of the Lots, in accordance with the terms authorized during this meeting; and be it further

RESOLVED, that the Executive Director, the Chief Engineer, the Chief Financial Officer, and the General Counsel be, and the same hereby are, authorized to take all



Item 7 by Mr. Bryan (Appendix G)

Declaring Surplus to the Authority's Present Needs, Leaseholds in and to Real Property Reference Nos. 516, 519, and 521; Accepting the Highest Rent Offered for Such Leaseholds Via a Request for Proposals; and Authorizing the Authority's Execution of Lease Agreements to Use Such Property for Vehicular Parking

(Continued)

steps necessary to implement this Board action; and be it further

RESOLVED, that the Executive Director, or his designee, shall have the authority to: exercise all powers reserved to the Authority under the provisions of the lease agreements, manage and administer such agreements, amend the provisions of such agreements consistent with the terms of this item and other Board authorizations, and suspend or terminate such agreements as he deems to be in the best interests of the Authority, be, and he hereby is, authorized to execute, and take all actions necessary to implement, such agreements on behalf of the Authority; and be it further

RESOLVED, that the recommendation for issuance of Negative Declarations (the "Recommendation") based on an environmental assessment of the proposed actions completed in accordance with the provisions of the State Environmental Quality Review Act ("SEQRA"), be, and hereby is approved; and be it further

RESOLVED, that the Chief Engineer, or his designee, be, and the same hereby is, authorized to execute the SEQRA Short Environmental Assessment Forms and Negative Declarations in accordance with the Recommendation, and to distribute any required documents on behalf of the Board relative to such adoption; and be it further

RESOLVED, that the Authority's Contracting Officer determined that, except for incorrect public disclosure information in the public advertisements of the RFP, which was followed up with corrective public



Item 7 by Mr. Bryan (Appendix G)

Declaring Surplus to the Authority's Present Needs, Leaseholds in and to Real Property Reference Nos. 516, 519, and 521; Accepting the Highest Rent Offered for Such Leaseholds Via a Request for Proposals; and Authorizing the Authority's Execution of Lease Agreements to Use Such Property for Vehicular Parking

(Continued)

advertisements and with notices to all parties to whom the RFP was sent, leases, on the terms recommended in this agenda item, comply with applicable law including Article 9, Title 5-A of the Public Authorities Law and with the Thruway Real Property Management Policy; and be it further

RESOLVED, that this resolution be incorporated in the minutes of this meeting

Item 8 by Mr. Bryan (Appendix H)

Declaring Surplus to Authority Needs Real Property Reference No. 536, Located in the New York Division Between Mileposts ML/28.47-28.82/SB in the Villages of Montebello and Suffern, Town of Ramapo, County of Rockland; Authorizing Acceptance of the Highest Bid Offered at a Public, Sealed-Bid Auction by Novartis Pharmaceuticals Corporation; and Authorizing the Authority's Execution of an Agreement for Sale of Real Property

Board approval was requested to dispose of three acres of land to Novartis Pharmaceuticals Corporation (Novartis), the highest of two responsive bidders. Several Board Members expressed concern about the potential ramifications of the sale on the Tappan Zee Bridge Project and the Town of Ramapo. Mr. Plunkett asked what impacts the proposals would have on the I-287 corridor. He was informed that the parcel was located within a few feet of Thruway right-of-way and would not affect the corridor. Mr. Williams inquired if this location was in a light rail expansion area. Mr. Mehta advised that light and heavy rail could be accommodated. Ms. Crotty asked if the decision to surplus the land was coordinated with the Authority's Tappan Zee Bridge Project staff. Mr. Bryan assured the Board that the land was declared surplus by the Chief Engineer. Chairman Buono asked for reinforcement of this decision. Ms. Crotty inquired whether the land was outside the scope of the Tappan Zee Bridge Project. Mr. Mehta advised that it is within the scope; however, there is enough space to accommodate the project. Mr. Howard inquired as to the Town of Ramapo's interest in this parcel. It was noted that although the Town expressed interest in developing this land, it was not the high bidder. It was unclear whether or not the



Item 8 by Mr. Bryan (Appendix H)

Declaring Surplus to Authority Needs Real Property Reference No. 536, Located in the New York Division Between Mileposts ML/28.47-28.82/SB in the Villages of Montebello and Suffern, Town of Ramapo, County of Rockland; Authorizing Acceptance of the Highest Bid Offered at a Public, Sealed-Bid Auction by Novartis Pharmaceuticals Corporation; and Authorizing the Authority's Execution of an Agreement for Sale of Real Property (Continued)

Town had any concerns with the proposed sale to Novartis. Staff indicated it was in the Authority's to surplus the land, as doing so would eliminate liability and maintenance responsibilities.

The Board tabled this Agenda Item following Mr. Howard's request for further information relative to the ramifications of the sale and Chairman Buono's request to clarify the impact of the sale on the Tappan Zee Project.

Item 9 by Mr. Bryan and Ms. O'Conor (Appendix I)
Adoption of Guidelines for Entering Into Payment Agreements

Mr. Bryan requested Board approval of guidelines that would allow the Authority to enter into interest rate hedge and other similar agreements. Given the current interest rate environment and the \$1.7 billion in planned, future borrowing needs for the Authority's current Multi-Year Capital Program, hedging would be a tool to help reduce the Authority's future borrowing costs and provide increased budget certainty. He noted that the guidelines pertain to interest rate hedge and similar agreements and are comparable to those of the Metropolitan Transportation Authority (MTA). A conservative program would be pursued for 2008-2009 only, via an open competitive process.

Steve Kantor of First Southwest and Stan Kramer of Hawkins, Delafield and Wood were in attendance to respond to questions. Mr. Williams inquired whether or not Ms. Carey Cassidy had been consulted. Mr. Fleischer responded affirmatively, adding that changes had been made to reflect her comments. Mr. Kantor acknowledged briefing Ms. Carey Cassidy as well. Ms. Crotty thanked staff for briefing her and incorporating her recommendation to narrow the scope. She expressed a concern relative to the budgetary impact of a termination fee should it be necessary. Mr. Kramer advised that termination expenses could be paid from a portion of bond proceeds and offered to provide a legal opinion to that effect. Mr. Williams asked Mr. Conway how long the MTA had used hedging. Mr. Conway advised that the MTA had utilized this strategy for at least ten years. Ms. Crotty requested that the following language under "Definitions" relating to payment



Item 9 by Mr. Bryan and Ms. O'Conor (Appendix I)
Adoption of Guidelines for Entering Into Payment Agreements (Continued)

agreements be stricken and asked if it would affect the program. "...or any other similar transaction, however denominated (including an option with respect to any of these transactions)." Mr. Kramer noted it would not have an effect on the program and that it was consistent with Ms. Crotty's other changes and would be removed from the guidelines.

Mr. Plunkett asked if it was customary to have these agreements approved by the New York State Office of the State Comptroller (OSC). He was informed that this contract would require OSC approval. Chairman Buono thanked the Board Members for their diligence in reviewing the guidelines.

After full discussion, on the motion of Mr. Howard, seconded by Ms. Crotty, without any objections, the Board adopted the following resolution as amended:

RESOLUTION NO. 5588
ADOPTION OF GUIDELINES FOR ENTERING INTO
PAYMENT AGREEMENTS

RESOLVED, that the Guidelines for Entering Into Payment Agreements attached hereto as "Exhibit A" be and the same are hereby adopted as amended at this meeting; and be it further

RESOLVED, that any payment agreement that is contemplated by the Authority, be undertaken in accordance with the Guidelines attached (as amended) hereto as "Exhibit A"; and be it further

RESOLVED, Board Approval is required before the Authority can undertake any payment agreement transaction; and be it further

RESOLVED, that this resolution be incorporated in the minutes of this meeting



Item 10 by Mr. Fleischer (Appendix J)

**Report to the Thruway Authority Board for Personal Service Contracts Up to \$150,000
for the Period October 1, 2006 through December 31, 2006**

Mr. Fleischer submitted as Exhibit I a listing containing Personal Service Contracts up to \$150,000 for the period of October 1, 2006 through December 31, 2006.

Mr. Plunkett asked if both Sive Paget and Whiteman, Osterman & Hanna (WOH) were providing environmental services for the Tappan Zee Bridge Project. Ms. O'Conor responded affirmatively, noting that Sive Paget was retained for their NEPA expertise, while WOH was selected for their SEQRA expertise.

After full discussion, on the motion of Ms. Crotty, seconded by Mr. Howard, without any objections, the Board accepted Mr. Fleischer's report.

Item 11 by Mr. Bell (Appendix K)

Authorizing an Agreement with Sunoco, Inc. (R&M) Relating to the Leasing and Operation of Sixteen (16) Fuel Service Facilities; and an Agreement with LeHigh Gas Corporation Relating to the Leasing and Operation of Thirteen (13) Fuel Service Facilities

Mr. Fleischer stated that the New York State Office of the State Comptroller indicated that it would approve these contracts based on feedback received from the Attorney General.

After full discussion, on the motion of Mr. Howard, seconded by Mr. Williams without any objections, the Board adopted the following resolution:

RESOLUTION NO. 5589

**AUTHORIZING AN AGREEMENT WITH SUNOCO,
INC. (R&M) RELATING TO THE LEASING AND
OPERATION OF SIXTEEN (16) FUEL SERVICE
FACILITIES; AND AN AGREEMENT WITH LEHIGH
GAS CORPORATION RELATING TO THE LEASING
AND OPERATION OF THIRTEEN (13) FUEL SERVICE
FACILITIES**

RESOLVED, that a contract with Sunoco, Inc. (R&M) and a contract with Lehigh Gas Corporation, both with commencement dates of April 1, 2007, be and the same hereby are, authorized, on the terms contained herein, and



Item 11 by Mr. Bell (Appendix K)

Authorizing an Agreement with Sunoco, Inc. (R&M) Relating to the Leasing and Operation of Sixteen (16) Fuel Service Facilities; and an Agreement with LeHigh Gas Corporation Relating to the Leasing and Operation of Thirteen (13) Fuel Service Facilities (Continued)

such other terms consistent with the agenda item as may be deemed to be in the Authority's best interest by the Executive Director, the Director of Maintenance and Operations, the General Counsel and the Director of Finance and be it further

RESOLVED, that the Executive Director or his designee be, and he hereby is, authorized to execute and take all actions necessary to implement such contracts on behalf of the Authority, including, but not limited to execution of all documents necessary to effectuate settlement of the litigation described in the agenda item, and be it further

RESOLVED, that the Executive Director, or his designee, shall have the authority to exercise all powers reserved to the Authority under the provisions of the two contracts, including, but not limited to; making a decision on whether a temporary rental abatement should be granted if the contractor exercises its right of first refusal regarding implementation of an alternative fuel infrastructure; manage and administer the contracts; amend the provisions of the contracts consistent with the terms of this item and other Board authorizations; and suspend or terminate the contracts in the best interests of the Authority, and be it further

RESOLVED, that Resolution No. 5552 adopted at Meeting No. 653 held on September 14, 2006 be, and the same hereby is, withdrawn, except that the withdrawal of Resolution No. 5508 contained in Resolution No. 5552 shall remain in full force and effect; and be it further

RESOLVED, that this resolution be incorporated in full in the minutes of this meeting



Item 12 by Mr. Waite (Appendix L)

Authorizing Negotiation and Execution of Engineering Agreement D213662 with Erdman, Anthony and Associates, Inc. for Construction Inspection Services Relative to TAB 07-5, Mill and Inlay at Various Locations in the Buffalo Division

Mr. Gemmiti advised that the agreement number should be corrected to state: D213662. Ms. Crotty asked if the Authority prefers to keep contracts within ten percent of the low bid. Mr. Howard responded, indicating that this parameter is merely a guide. Some Construction Inspection agreements involve fixed time and night work thereby increasing the costs to perform the work.

After full discussion, on the motion of Mr. Williams, seconded by Mr. Plunkett, without any objections, the Board adopted the following resolution:

RESOLUTION NO. 5590

**AUTHORIZING NEGOTIATION AND EXECUTION OF
ENGINEERING AGREEMENT D213662 WITH
ERDMAN, ANTHONY AND ASSOCIATES, INC. FOR
CONSTRUCTION INSPECTION SERVICES RELATIVE
TO TAB 07-5, MILL AND INLAY AT VARIOUS
LOCATIONS IN THE BUFFALO DIVISION**

RESOLVED, that the Chief Engineer be, and hereby is, authorized to negotiate and execute engineering agreement D213662 with Erdman, Anthony and Associates, Inc., 2165 Brighton Henrietta Town Line Road, Rochester, New York 14623, for construction inspection services relative to TAB 07-5, Mill and Inlay at Various Locations in the Buffalo Division, provided that the Maximum Amount Payable does not exceed \$300,000 which is currently provided through the 2007 Contracts Program (Item H1061.5), and be it further

RESOLVED, that the Chief Engineer or his designees shall have the authority to exercise all powers reserved to the Authority under the provisions of the agreement, manage and administer the agreement, amend the provisions of the agreement consistent with the terms of this item and in accordance with the 2007 Contracts Program Resolution No. 5553 and other Board



Item 12 by Mr. Waite (Appendix L)

Authorizing Negotiation and Execution of Engineering Agreement D213662 with Erdman, Anthony and Associates, Inc. for Construction Inspection Services Relative to TAB 07-5, Mill and Inlay at Various Locations in the Buffalo Division (Continued)

authorizations, and suspend or terminate the agreement in the best interests of the Authority, and be it further

RESOLVED, that the information relating to this agreement be included in the Chief Engineer's Quarterly Report to the Board on Contracts Program activities, such information to include the exact Maximum Amount Payable and date of execution of the agreement and be it further

RESOLVED, that this resolution be incorporated in the minutes of this meeting

Item 13 by Mr. Gemmiti (Appendix M)

Authorizing Negotiation and Execution of a Term Agreement (D213670) with Dewkett Engineering, P.C. for Statewide Guidерail and Roadside Safety Design Services

After full discussion, on the motion of Mr. Howard, seconded by Mr. Conway, without any objections, the Board adopted the following resolution:

RESOLUTION NO. 5591

**AUTHORIZING NEGOTIATION AND EXECUTION OF
A TERM AGREEMENT (D213670) WITH DEWKETT
ENGINEERING, P.C. FOR STATEWIDE GUIDERAIL
AND ROADSIDE SAFETY DESIGN SERVICES**

RESOLVED, that the Chief Engineer be, and hereby is, authorized to negotiate and execute engineering agreement D213670 with Dewkett Engineering, P.C., Rhinebeck Office Park 101, 187 East Market Street, Rhinebeck, New York 12572, for Statewide guiderail and roadside safety design services, provided that the Maximum Amount Payable does not exceed \$300,000 which is currently provided through the 2007 Contracts Program (Item HS1068.1), and be it further



Item 13 by Mr. Gemmiti (Appendix M)

Authorizing Negotiation and Execution of a Term Agreement (D213670) with Dewkett Engineering, P.C. for Statewide Guiderrail and Roadside Safety Design Services (Continued)

RESOLVED, that the Chief Engineer or his designees shall have the authority to exercise all powers reserved to the Authority under the provisions of the agreement, manage and administer the agreement, amend the provisions of the agreement consistent with the terms of this item and in accordance with the 2007 Contracts Program Resolution No. 5553 and other Board authorizations, and suspend or terminate the agreement in the best interests of the Authority, and be it further

RESOLVED, that the information relating to this agreement be included in the Chief Engineer's Quarterly Report to the Board on Contracts Program activities, such information to include the exact Maximum Amount Payable and date of execution of the agreement and be it further

RESOLVED, that this resolution be incorporated in the minutes of this meeting

Item 14 by Mr. Waite (Appendix N)

Approving Engineering Agreement D213609 with Edwards and Kelcey Engineers, Inc. to Complete Seismic Vulnerability Assessments for Thruway Bridges Statewide

Mr. Williams questioned whether or not a fault line existed near the bridges. He was advised by Mr. Howard and executive staff that there are fault lines in New York State. In response to subsequent questions, Ms. Crotty and Mr. Williams were informed by staff that the assessments are required by State law as part of the Uniform Code of Bridge Inspection.

After full discussion, on the motion of Mr. Williams, seconded by Ms. Crotty, without any objections, the Board adopted the following resolution:



Item 14 by Mr. Waite (Appendix N)

**Approving Engineering Agreement D213609 with Edwards and Kelcey Engineers, Inc.
to Complete Seismic Vulnerability Assessments for Thruway Bridges Statewide
(Continued)**

RESOLUTION NO. 5592

**APPROVING ENGINEERING AGREEMENT D213609
WITH EDWARDS AND KELCEY ENGINEERS, INC. TO
COMPLETE SEISMIC VULNERABILITY
ASSESSMENTS FOR THRUWAY BRIDGES
STATEWIDE**

RESOLVED, that the proposed engineering agreement D213609 with Edwards and Kelcey Engineers, Inc., 5 Penn Plaza, 18th Floor, New York, New York 10001 to complete seismic vulnerability assessments for Thruway bridges statewide, for a Maximum Amount Payable of \$1,300,000, which is provided through the 2007 Contracts Program (Item BS910.1), be, and the same hereby is, approved, and be it further

RESOLVED, that the Chief Engineer or his designees shall have the authority to exercise all powers reserved to the Authority under the provisions of the agreement, manage and administer the agreement, amend the provisions of the agreement consistent with the terms of this item and in accordance with the 2007 Contracts Program Resolution No. 5553 and other Board authorizations, and suspend or terminate the agreement in the best interests of the Authority, and be it further

RESOLVED, that this resolution be incorporated in the minutes of this meeting



Item 15 by Mr. Gemmiti (Appendix O)

Approving Engineering Agreement D213598 with Hatch Mott MacDonald NY, Inc. for Design Services Relative to the Construction of a New Williamsville Toll Barrier in the Buffalo Division

Mr. Gemmiti reported that a construction contract letting was scheduled for August 2009, and that the cost of the project would be approximately \$67 million. Ms. Crotty inquired as to whether 2009 was the correct letting year and Mr. Gemmiti confirmed that the date is correct.

After full discussion, on the motion of Mr. Williams, seconded by Mr. Howard, without any objections, the Board adopted the following resolution:

RESOLUTION NO. 5593

**APPROVING ENGINEERING AGREEMENT D213598
WITH HATCH MOTT MACDONALD NY, INC. FOR
DESIGN SERVICES RELATIVE TO THE
CONSTRUCTION OF A NEW WILLIAMSVILLE TOLL
BARRIER IN THE BUFFALO DIVISION**

RESOLVED, that the proposed engineering agreement D213598 with Hatch Mott MacDonald NY, Inc., 438 Main Street, Suite 700, Buffalo, New York 14202 for design services relative to the construction of a new Williamsville Toll Barrier in the Buffalo Division, for a Maximum Amount Payable of \$5,000,000, which is provided through the 2007 Contracts Program (Item H1042.1), be, and the same hereby is, approved, and be it further

RESOLVED, that the Chief Engineer or his designees shall have the authority to exercise all powers reserved to the Authority under the provisions of the agreement, manage and administer the agreement, amend the provisions of the agreement consistent with the terms of this item and in accordance with the 2007 Contracts Program Resolution No. 5553 and other Board authorizations, and suspend or terminate the agreement in the best interests of the Authority, and be it further

RESOLVED, that this resolution be incorporated in the minutes of this meeting



Item 16 by Mr. Waite (Appendix P)

Authorizing an Amendment to the 2007 Contracts Program to Include the Black Rock and City Line Toll Barriers Removal Project in the Buffalo Division, and Allocating Funds Therefor

Mr. Fleischer reported that funding to offset the first year of lost toll revenue will be provided by the Senate through the New York State Department of Transportation (DOT). The Authority's share of the I-84/I-87 reconstruction project will be reduced whereby the DOT's share will be increased. Mr. Bryan advised that \$7 million has already been received from the Dormitory Authority; DOT funding will be provided on a reimbursement basis. Thereafter the loss will be offset by the redirection of operating costs on I-84.

After full discussion, on the motion of Mr. Williams, seconded by Ms. Crotty, without any objections, the Board adopted the following resolution:

RESOLUTION NO. 5594

AUTHORIZING AN AMENDMENT TO THE 2007 CONTRACTS PROGRAM TO INCLUDE THE BLACK ROCK AND CITY LINE TOLL BARRIERS REMOVAL PROJECT IN THE BUFFALO DIVISION, AND ALLOCATING FUNDS THEREFOR

RESOLVED, that the 2007 Contracts Program be, and it hereby is, amended to include a project to remove the Black Rock and City Line Toll Barriers on I-190 in the Buffalo Division, and be it further

RESOLVED, that the requirements of Resolution No. 5557 are hereby superceded but only to the extent that Resolution No. 5557 required the actual receipt of the entire \$14.1 million in order to commence the contracting process to remove the toll barriers at Black Rock and City Line on I-190 and therefore the Executive Director is authorized to progress the project to remove the Black Rock and City Line Toll Barriers because the DASNY grant funding has been received and the New York State Department of Transportation's funding has been committed and will be received by the Authority through the Fall of 2007, and be it further



Item 16 by Mr. Waite (Appendix P)

Authorizing an Amendment to the 2007 Contracts Program to Include the Black Rock and City Line Toll Barriers Removal Project in the Buffalo Division, and Allocating Funds Therefor (Continued)

RESOLVED, that the 2007 Contracts Program be amended to account for the additional \$3,360,000 for the Black Rock and City Line Toll Barrier Removal project, and that a sum of \$3,360,000 in 2007 cash flow be, and the same hereby is, allocated toward the project from bid savings and other adjustments made to the 2007 Contracts Program, and be it further

RESOLVED, that the Black Rock and City Line Toll Barrier Removal project, will be administered in accordance with the 2007 Contracts Program Resolution, and be it further

RESOLVED, that the Executive Director or his designee shall have the authority to exercise all powers reserved to the Authority under the provisions of the contracts, manage and administer the contracts, amend the provisions of the contracts consistent with the terms of this item and other Board authorizations and suspend or terminate the contracts in the best interests of the Authority, and be it further

RESOLVED, that this resolution be incorporated in the minutes of this meeting

Other Business

Chairman Buono stated that he had recently visited a travel plaza and observed patrons utilizing WiFi services. Mr. Williams commented that the service did not extend to the parking lots. He was informed by Ms. Riddett that the capability was designed to function inside the building only. Mr. Williams expressed the belief that Internet access should be available to commercial drivers while in their vehicles. Mr. Fleischer informed him that this was a separate project that is forthcoming.



Other Business (Continued)

At 11:30 a.m. Mr. Conway excused himself from the Board Meeting citing a scheduling conflict.

Mr. Fleischer provided an update on the status of the Tappan Zee Bridge re-decking project. Although the project was let in December 2005 the contract was not approved by the New York State Office of the State Comptroller (OSC) until July 31, 2006. The 2006 construction season was subsequently missed. Construction is due to commence in the spring. Mr. Mehta added that a contract is in place to replace certain portions of the deck. The first panel is scheduled to be installed during the first week in May. The late award is pushing the schedule from 2008 to 2009, but the Authority is working with the contractor to explore possible ways to accelerate the project. A change order would be needed, requiring OSC approval. Acceleration was recommended by Mr. Mehta. All work would be done at night. Authority staff have met, and will continue to meet, with elected officials through April to keep them abreast of the progress and to develop a diversion plan should one become necessary. Chairman Buono requested that staff continue to offer county executives the opportunity to be individually briefed on any progress or changes to this project. Mr. Fleischer stated that a diversion plan involving communication strategies has already been developed.

Adjournment

There being no further business to come before the Board, on the motion of Mr. Plunkett, seconded by Mr. Williams, without any objections, the meeting was adjourned.

**Jill B. Warner
Secretary**

On the motion of Mr. Plunkett, seconded by Mr. Howard, the Board voted to convene to Executive Session to discuss pending litigation.

