



MINUTES

NEW YORK STATE THRUWAY AUTHORITY

BOARD MEETING NO. 671

January 21, 2009

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 via video conference from the Authority's New York Division, 4 Executive Boulevard, Suffern, NY 10901.

The meeting began at 10:43 a.m.

There were present:

**John L. Buono, Chairman
E. Virgil Conway, Board Member, via video conference
Erin M. Crotty, Vice-Chair
Frederick M. Howard, Board Member
Donna J. Luh, Board Member
Kevin J. Plunkett, Board Member
Brandon R. Sall, Board Member**

Constituting all of the members of the Thruway Authority Board.

In addition, there were present the following staff personnel:

**Michael R. Fleischer, Executive Director
Sharon O'Connor, General Counsel
John Bryan, Chief Financial Officer
Jill Warner, Secretary and Board Administrator
William Rinaldi, Division Director, Albany Division
Ramesh Mehta, Division Director, New York Division
Patrick Hoehn, Deputy Division Director, Syracuse Division
Thomas Pericak, Division Director, Buffalo Division
Kevin Allen, Acting Director, Audit and Management Services, via video conference**

John Barr, Director, Administrative Services
Donald Bell, Director, Operations and Maintenance
Carmella Mantello, Director of Canal Corporation
Major Robert Meyers, Troop T
Wendy Allen, Deputy Chief of Staff
Joanne Riddett, Director, Information Technology
Deborah Haslun, Director, Bureau of Labor Relations
Thomas Fitzgerald, Director, Office of Human Resource Management
Harry Lennon, Senior Investigator, Audit and Management Services
Tracie Sandell, Assistant Counsel
Kimberly Chupa, Public Information Specialist
Jill Ross, Deputy Project Manager, TZB/I-287 Environmental Review
Michael Sikule, Director, Office of Investments and Asset Management
Polly Gurnett, Records Access Officer
Katherine McCartney, Deputy Counsel
Richard Harris, Deputy Director, Office of Community Development & Land Management
Richard Matters, Real Estate Specialist 2
Thomas Gemmiti, Director, Office of Design
Douglas Elson, Information Technology
Also in attendance:
Cathy Woodruff, Reporter, *Albany Times Union*
Virginia Wong, Partner, Nixon Peabody
John Armstrong, Assistant Television Engineer, NYN

Chairman Buono noted that he, Mr. Conway, Ms. Crotty, Mr. Howard, Ms. Luh, Mr. Plunkett and Mr. Sall 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. 670

On the motion of Mr. Sall, seconded by Ms. Luh, without any objections, the Board approved the minutes of Meeting No. 670 held on November 19, 2008, which were made available to the Board Members as part of the Agenda.



Report by the Chair of the Audit and Finance Committee

Mr. Conway reported that the Committee met yesterday afternoon. It reviewed and approved the Twelfth Supplemental Bond Resolution Authorizing the Issuance of the Second General Highway and Bridge Trust Fund Bonds for up to \$250 Million for New Purposes and \$200 Million in Refunding which will be considered under Item 8 of the Thruway Agenda. The Committee also reviewed reports from the Office of the Inspector General; there was nothing significant in those reports. The Committee also reviewed and discussed the Audit and Finance Committee Draft Work Plan and Ms. O'Connor provided information on the status of Legislative action related to unpaid tolls and the Canal Corporation.

Report by the Chair of the Governance Committee

Mr. Plunkett stated that the Governance Committee met earlier this morning. It approved the Thruway Authority/Canal Corporation Procurement Contracts Policy, which is required by law to be done annually, and recommended that it be presented to the Board for further consideration at the March Board meeting. In addition, Authority staff presented a review of the Governance Committee's activities and accomplishments to date. This was done to assist the Committee in fulfilling its requirement to conduct an annual self evaluation of its performance and functions.

Report by Mr. Howard

Chairman Buono stated that the Board directed staff to execute an agreement with the Volpe Center. To that end, Mr. Howard suggested that there might be more Board interface with the Center and the Chairman appointed a committee of two, Mr. Howard and Ms. Luh, and yesterday they met with the Volpe Center staff who will be doing the study and analysis. Chairman Buono requested that Mr. Howard bring the remaining Board members up to date on the outcome of that meeting.

Mr. Howard stated that it was a very interesting meeting, quite exciting. The Board's intention with this study is to have outside experts in the transportation field come and do an overview of the Authority's operations. Not, the Authority's got three extra sweepers at such and such facility, but a strategic overview. The committee met with the research team from the Volpe Center, which is a branch of the Federal Highway Administration, it is a RITA Program (Research and Innovative Technology Administration), and is completely supported by fees charged to clients such as the Thruway Authority.

Mr. Howard stated that it is a very impressive team. The team leader has



Report by Mr. Howard (Continued)

vast, diverse experience. His academic background is in psychology. He's a clinical psychologist but has been working with the Volpe Center for 20 years as a facilitator and coordinator. The Volpe Center has people with multi-discipline backgrounds, with management and financial backgrounds as well as engineering backgrounds. The committee met with the five principal team members. Mr. Howard and Ms. Luh will be involved with monthly updates, especially during the initial phases. The Board doesn't want to be involved in the day to day nitty gritty operations but Mr. Howard believes it's important that the committee be kept abreast of the direction in which the study is going and if, in fact, they feel that something is being steered in a direction they don't agree with they want to at least be aware of it and will report that back to the full Board.

The Center will be looking at the Authority's policies, processes and operations. There will be five task elements: best practices in the transportation field, a strategic financial review, evaluation of the Authority's key management functions, an asset management review and a non-toll revenue review which they will downplay as, after meeting with staff, they feel that is an area where they won't add that much value. Finally, there will be a report at the conclusion of a six month period.

Mr. Sall inquired if the Volpe Center would analyze if the Authority should add staff to the Engineering Department as opposed to contracting out for that work. Mr. Howard responded that their analysis would not just cover engineering, but all contracting, but yes, that issue would be looked at on a strategic level. The Volpe Center will not be coming in and doing desk audits. Chairman Buono stated that that issue was specifically addressed by the Volpe team at the meeting on November 20th.

Mr. Plunkett asked if the six month time period was just for the Volpe Center to get familiar with the Authority or if a report would be issued in that time. Mr. Howard responded that the report would be issued within six months. He believes that by April 10, 2009 the Center's field work would be done. Chairman Buono suggested that staff make available to the full Board a hard copy of the presentation made by the team from the Volpe Center. Mr. Howard also recommended that staff provide information on the principle investigators and their backgrounds.



Item 2 by Chairman Buono (Appendix B)
Recognizing and Honoring Ramesh Mehta

Chairman Buono read aloud the Resolution below and thanked Mr. Mehta for his service and added that he will certainly be missed by the Authority. Mr. Mehta stated that he has been very fortunate to work in the most challenging Division of the Authority. He added, with a smile, that he has spent over a billion dollars in that area and the people are still not satisfied.

Mr. Plunkett stated that as a downstate member of the Board he can attest that Mr. Mehta has been a part of the fabric of the community downstate for many years and he thanks him for his efforts.

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

RESOLUTION NO. 5724
RECOGNIZING AND HONORING RAMESH MEHTA

WHEREAS, Ramesh Mehta has been employed by the New York State Thruway Authority since 1987, and

WHEREAS, Mr. Mehta has had a long and distinguished international engineering career prior to his Authority service, and

WHEREAS, Mr. Mehta has provided meritorious service to the New York State Thruway Authority, and

WHEREAS, the numerous highlights and achievements of Mr. Mehta's service record with the Authority include leading the Authority's response to the catastrophic fuel tanker fire that destroyed the Thruway bridge over Central Park Avenue in Yonkers and the rebuilding of that bridge in record time; overseeing the largest project ever undertaken by the Authority, the Interchange 8 Reconstruction Project; managing the implementation of the Authority's first higher speed and highway speed E-ZPass facilities; directing the Authority's construction of the I-87/I-84 Connector Project; overseeing the Tappan Zee Bridge Deck Replacement Project; and



Item 2 by Chairman Buono (Appendix B)
Recognizing and Honoring Ramesh Mehta (Continued)

coordinating the New York Division's participation in the Tappan Zee Bridge/I-287 Corridor Study including the Alternatives Analysis and the Draft Environmental Impact Statement, now, therefore, be it,

RESOLVED, that Mr. Mehta's service is hereby proclaimed as meeting the very highest standards in public service, and be it further

RESOLVED, that the Thruway Authority Board hereby extends to Mr. Mehta its thanks and appreciation for his service and his many contributions to the Board and Staff in their respective activities and programs, and be it further

RESOLVED, that the Thruway Authority Board hereby extends to Mr. Mehta its best wishes for a happy, healthy, and productive retirement, and be it further

RESOLVED, that a copy of this resolution be presented to Mr. Mehta and be incorporated in the minutes of this meeting

Item 3 by Mr. Fleischer (Appendix C)
Report to Thruway Authority Board for Personal Service Contracts Up to \$150,000
for the Period October 1, 2008 through December 31, 2008

Mr. Fleischer submitted as Exhibit I a listing containing Personal Service Contracts up to \$150,000 for the period of October 1, 2008 through December 31, 2008.

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



Item 4 by Mr. Bryan (Appendix D)
Financial Reports– October and November 2008

Mr. Bryan reported that for the first 11 months of the year, the Authority collected \$550.6 million in revenue, which was \$12.9 million higher than the level collected in the same period of 2007, representing an increase of 2.4 percent. Toll revenues were up by \$19.4 million for the first 11 months of the year. Given that traffic has been steadily declining throughout the year due to high gas prices in the first half of the year and from a deteriorating economic environment in the second half, the increase in toll collections the Authority has seen in the first 11 months is entirely due to the toll rate changes that occurred earlier in the year.

Concession revenues, which are dependent upon the level of fuel and food sales at the Authority's Travel Plazas, were down by \$469,000 or 3.9 percent through November. This reduction was mainly due to the closure of a number of gas stations and food facilities for capital upgrades and service enhancements including new convenient stores, upgraded fuel facilities and new food venues.

Interest earnings were down quite substantially from 2007, as yields earned on the Authority's investments dropped with declining market rates. In total, interest earnings for the first 11 months of 2008 were down by \$6.1 million or 59 percent.

In March staff will be requesting that the Board approve the annual investment report, and in it staff will likely recommend some small changes that give the Authority some added flexibility in the concentrations of investments that staff are allowed to make. Staff will, of course, work with the Authority's financial advisor on these changes to ensure that the Authority also maintains an overall conservative approach to its investment strategy.

To help counter the impact reduced traffic is having on revenues, the Authority enhanced its ongoing operating cost containment program this year. As a result of the actions taken, total operating expenses in the first 11 months of 2008 were \$17 million below the target established in the 2008 Budget. In addition, total operating expenses in the first 11 months of the year were \$750,000 or 0.21 percent below the level experienced in the first 11 months of 2007 (after accounting for GASB OPEB accounting changes). The enhancements made to the Authority's cost containment program really paid off in 2008 and staff are hoping to see continued dividends in the current fiscal year.



Item 4 by Mr. Bryan (Appendix D)
Financial Reports– October and November 2008 (Continued)

Mr. Bryan stated that he expects to have a full year-end report for the Board in February as well as an update to the traffic and revenue forecasts for 2009 and the rest of the Multi-Year Financial Plan.

Mr. Plunkett stated that he found it interesting that the commercial net toll revenue was down and that the increase was all in passenger revenue, he inquired if staff has spoken to the commercial drivers at all. Mr. Bryan stated that the economy is hitting commercial traffic to a great extent and more than compensating for whatever increased revenue the Authority would have received from the toll rate changes. Staff are seeing 10 to 15 percent declines daily, although it wasn't until September or October that staff started noticing double digit declines.

Mr. Plunkett inquired if the Authority receives the toll revenue from the Newburgh Beacon Bridge. Mr. Bryan responded that that revenue goes to the Bridge Authority. Mr. Plunkett inquired if the Tappan Zee Bridge tolls come to the Authority. Mr. Bryan responded affirmatively. Mr. Plunkett stated that when coming from New Jersey on Route 287 the sign directs traffic towards the Newburgh Beacon Bridge. Ms. O'Connor stated that that was initially done to address traffic and congestion issues. Mr. Bryan added that it's the same concept as is used on "freebie 90" where the Authority directs people to use the Castleton Bridge rather than go through the downtown area, it's a congestion issue, except there the Authority gains money.

Mr. Sall stated that under the line item in John's report for sundry revenue the numbers appear to be up, he inquired as to what that category consists of. Mr. Bryan responded that that's the "everything else" category consisting of all kinds of business and commercial E-ZPass tag fees, real estate revenues, rents, permits, there are between 30 and 40 items in that category. He added that staff has seen a consistent trend in the last few years in tag revenues that come in from the Authority's business and commercial accounts. Staff has also done a decent job this year in acquiring some real estate revenue out of some sales and disposals. It's a very variable series, some months it's way down, some months it's way up; it just depends upon certain transactions that occur in that category. Mr. Sall asked for clarification regarding the E-ZPass revenues stating that it's not from tolls. Mr. Bryan responded that it's from tag fees charged to commercial accounts.

Ms. Crotty inquired as to how painful the operational reductions were and what specifically was cut. Mr. Bryan responded that an overwhelming majority were



Item 4 by Mr. Bryan (Appendix D)
Financial Reports– October and November 2008 (Continued)

in the personal services area such as hiring freezes and a significant amount of unfunding items that allowed for elimination of several vacant full-time positions. There were also a lot of smaller items such as canceling Corcraft contracts, beautification contracts on the Canal, reducing seasonal labor. There were also savings in the telecommunications and IT areas, and the E-ZPass account management fees were lower than expected. While the majority of cuts were in the personnel area, a number of smaller items helped make up the balance. Ms. Crotty inquired if those cuts would impact program delivery. Mr. Bryan responded that staff meets regularly on this issue. When the Authority had a healthy revenue it was nice to do some of the extra servicethings, but right now it's down to core safety and service requirements. The Authority has reduced part-time toll collectors in the lanes so people may see more traffic piling up in the cash lanes than they would have before, but it hasn't greatly reduced through-put and there appears to have been no adverse impacts on safety.

Mr. Howard stated that the report looks as if equipment values have gone down, he inquired if staff was no longer replacing equipment using the previous schedule. Mr. Bryan and Mr. Bell both responded affirmatively. Mr. Bryan stated that with regard to snow and ice positions and equipment, staff are trying to avoid any reductions. However, for example, if someone were to ask to replace a 48-inch deck lawnmower, staff are not inclined to move forward on that. A lot of the equipment costs staff tried to move out of 2008 and into 2009 and now in 2009 the challenge is to avoid moving them into 2010 or replace them at all. Mr. Howard stated that the figures dropped \$20 million so the assumption is we're not just talking about replacing lawnmowers. Mr. Bell stated that staff has stretched the life of pretty much every piece of equipment the Authority owns. Something that would have been replaced right away 10 years ago, today staff evaluates it and pushes replacement back a year or two. It increases the repair costs, it increases the risk of having a truck go down during a storm, the difficulty is trying to find a balance. The Authority has phenomenal mechanics who keep the equipment running but it's at a cost. The cost of a snow plow has gone up phenomenally in the last few years, mainly due to steel costs. Mr. Bryan interjected that it costs approximately \$250,000 for a fully equipped snow plow. Mr. Bell stated that if the Authority can stretch the life of each snow plow by another year it adds phenomenal savings to the budget but decreases the asset value because the equipment is getting older.

Ms. Sall inquired if the Authority is seeing better buying opportunities for equipment now. Mr. Bryan responded that he's not so sure. Mr. Sall mentioned on



Item 4 by Mr. Bryan (Appendix D)
Financial Reports– October and November 2008 (Continued)

some car lots you can get trucks 2 for 1. Mr. Bell responded that those are pick-up trucks rather than heavy load equipment. Mr. Bryan stated that staff looks at every single piece of motorized equipment, nothing escapes the conversations. Between Mr. Bryan, Mr. Bell and Ms. Mantello, they go through everything and are trying to be as prudent with the Authority's money as possible. Mr. Howard stated that it can be a real slippery slope. Mr. Bryan concurred, adding that the hope is that as the economy rebounds and traffic improves the Authority will be in a better position to make up for some of the things that unfortunately have been delayed.

Mr. Howard inquired if the Authority's consultants have said anything about permanent changes in modes of transportation, adding that there was quite a shift to rail when fuel prices were so high. Mr. Bryan responded that the rail companies are complaining now that the economy is killing them and rail traffic is down. The Authority is also a victim of the double-edged sword of high gas prices and a weakened economy and no one knows how it's going to turn out. When gas prices were so high rail was an obvious solution because it was cheaper but the quality of rail, frankly, isn't necessarily there unless you want to spend long hours on the train. Mr. Howard clarified that he was referring to commercial rail use. Mr. Bryan stated that commercially the Authority did experience a shift but that now both the Authority and the rail companies are being hit by the overall economic condition.

Mr. Sall stated that he would think that now would be a good time to buy certain capital equipment. Mr. Bryan responded that the Authority is purchasing equipment. A lot of the purchases were deferred to 2009 and as the Authority gets further into 2009, purchases will have to be re-evaluated to see if they can be deferred to 2010 if 2009 turns out to be another period of fiscal distress. Mr. Sall stated that if government funds become available there might be more demand for the equipment that the Authority wants to purchase and now may be a better opportunity to acquire it. The Authority's general equipment condition is pretty decent. The items moved out of the last half of 2008 were done to create balance, but staff is moving forward with a lot of those purchases now. Chairman Buono stated that in times like this there are always opportunities to look for and Mr. Sall concurred. Mr. Bryan agreed and stated that a lot of the equipment is purchased off of the State contract. Mr. Bell responded that snow plows are not bought off State contract but that all of the Authority's light duty vehicles are purchased under State contract.



Item 4 by Mr. Bryan (Appendix D)
Financial Reports– October and November 2008 (Continued)

Following discussion regarding the financial condition of the Authority, on the motion of Mr. Sall, seconded by Mr. Conway, without any objections, the Board accepted the Financial Reports for the months of October and November 2008.

Item 5 by Mr. Bryan (Appendix E)
Approving the Revised Thruway Real Property Management Policy (25-6-02), the Thruway Real Property Management Standard Operating Procedures (500-2) and the Thruway Personal Property Disposal Policy (25-6-01)

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

RESOLUTION NO. 5725

APPROVING THE REVISED THRUWAY REAL PROPERTY MANAGEMENT POLICY (25-6-02), THE THRUWAY REAL PROPERTY MANAGEMENT STANDARD OPERATING PROCEDURES (500-2) AND THE THRUWAY PERSONAL PROPERTY DISPOSAL POLICY (25-6-01)

RESOLVED, that the revised Thruway Real Property Management Policy (25-6-02), attached as Exhibit B be, and the same hereby is, approved, and be it further

RESOLVED, that the Thruway Real Property Management Standard Operating Procedures (500-2), attached as Exhibit C be, and the same hereby are, approved, and be it further

RESOLVED, that the Thruway Personal Property Disposal Policy (25-6-01), attached as Exhibit D be, and the same hereby is, approved, and be it further

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



Item 6 by Mr. Bryan (Appendix F)

Declaring Real Property Reference No. TS081 Necessary for the Authority's Corporate Purposes; and Authorizing Its Acquisition via Appropriation

Mr. Bryan stated that this resolution seeks the Board's approval to acquire an 8.24± acre parcel in the Town of Herkimer. The property has been leased by the Authority since 1997 and has been improved with communication towers and related facilities. The improvements have allowed the Authority to operate and maintain an important section of its land-mobile, two-way radio-communication system.

The System currently serves State Police Troop T, Thruway Maintenance, Toll Collection and Traffic units, emergency-service agencies and vehicle-towing operators over a fifty-plus-mile section of the Thruway mainline in the Syracuse Division.

The Authority's existing lease on this property expires in October 2009. And, since this parcel is the only site in the region that is both suitable and has been improved for Authority use, staff is recommending that the Authority acquire the property via eminent domain.

Mr. Plunkett asked for confirmation that the purchase price is \$65,000 and inquired if there was any potential for the Authority to lease part of the facility for revenue generating purposes. Mr. Bryan confirmed the purchase price of \$65,000 and stated that he didn't believe that the property could be used to generate revenue. Mr. Bell added that the Authority does that in a number of locations, however due to the small size and age of this tower, it does not have the excess capacity. It was designed solely for the Authority's use. Mr. Plunkett inquired if this was a tower that could be used to bring in revenue from the cell companies if there are gaps along this stretch of the Thruway. Mr. Bryan stated that presumably once the Authority owns the property, if there appears to be a demand in the area staff would pursue that.

Mr. Howard inquired as to the reason the Authority is doing this by eminent domain and not just negotiation with the property owner. Ms. O'Connor responded that it is being done by eminent domain because eminent domain will clear the title and the Authority can take possession immediately and the Department of Transportation (DOT) does the eminent domain for the Authority. Staff has found in the past that working with DOT and the Attorney General's (AG) office on eminent domain is the quickest way to acquire it, as well as the quickest way to gain access to the site. Mr. Howard stated that the use of eminent domain does not mean that the Authority has a hostile relationship with the property owner. Ms. O'Connor concurred but added that if the property owner was



Item 6 by Mr. Bryan (Appendix F)

Declaring Real Property Reference No. TS081 Necessary for the Authority's Corporate Purposes; and Authorizing Its Acquisition via Appropriation (Continued)

dissatisfied with the appraised value that DOT comes up with they can challenge the value.

Mr. Sall inquired if discussions had taken place with this owner and if the \$65,000 was a price the owner would be willing to sell for. Mr. Bryan responded that discussions had taken place and the owner was not pleased with the price and was looking for more money. Mr. Sall stated that he presumes the cost of doing this by eminent domain adds considerable legal expense and if the owner is interested in a few more dollars then maybe it makes sense to purchase from the owner. With regard to title searches, Mr. Sall stated that there are title insurance firms that insure these contracts. He added that maybe it would cost the Authority more to purchase from the owner but the legal fees associated with eminent domain may be well over \$65,000. Ms. O'Connor clarified that DOT does the condemnation on the Authority's behalf and the AG's office represents the Authority in the event of any challenge so there won't be any significant legal fees imposed upon the Authority. Throughout the history of the Authority this has been how the process has worked.

Mr. Bryan stated that Authority staff are comfortable with the offer as far as appraisals go, looking at the land in the area and its best use. Based on discussions with the owner, Mr. Bryan stated that the owner wanted close to \$100,000 for the property and is unsure if he will challenge the appraised value. Chairman Buono inquired if this property is in a subdivision in a building lot. Mr. Bryan responded affirmatively, adding that the appraisal was done based upon what was being offered for other building lots, staff took into consideration the possibility of revenue generation and determined that the area is saturated with cell towers and that there really isn't any potential revenue generation on this site. Staff felt that this appraisal was an accurate reflection of the market value.

Chairman Buono inquired as to why DOT was doing the eminent domain and asked if the Authority had the ability to do it on its own. Ms. O'Connor responded that the Authority has the power to do it, adding that the Authority's statute is unique in that it allows for the Authority to do it on its own or to request that DOT do it on the Authority's behalf. Historically speaking, DOT has the staff and people in place to do it and for the last 50 years they've been doing all of the eminent domains on the Authority's behalf. Mr. Bryan added that it's much cheaper and efficient. Mr. Howard stated that this is just the way the Authority buys property. Ms. O'Connor concurred but added that the Authority has the option of negotiating with the



Item 6 by Mr. Bryan (Appendix F)

Declaring Real Property Reference No. TS081 Necessary for the Authority's Corporate Purposes; and Authorizing Its Acquisition via Appropriation (Continued)

property owner as well. Mr. Sall stated that he believes if this weren't a government agency this would be handled in a totally different way, it would get done quicker and at the end of the day probably for a lot less money and he wonders why in this type of acquisition the Authority would go down a path that's going to cost a lot more expense for someone in government and the tax payers are ultimately going to have to pay for this some way or another. It might be cheaper to make some sort of deal that maybe the Authority's not so happy with and the owner's not so happy with but is fair and gets it over with quicker but he'll defer to the Authority's legal staff to make the decision.

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

RESOLUTION NO. 5726

**DECLARING REAL PROPERTY REFERENCE NO.
TS081 NECESSARY FOR THE AUTHORITY'S
CORPORATE PURPOSES; AND AUTHORIZING ITS
ACQUISITION VIA APPROPRIATION**

RESOLVED, that Real Property Reference No. TS081 (hereinafter, "Property"), delineated as Parcel No. 496 on Acquisition Map No. 434 in Herkimer County in the Mohawk Section of the Thruway, is hereby declared necessary for the Authority's corporate purposes, and be it further

RESOLVED, that acquisition of the Property by appropriation be, and the same hereby is, authorized in accordance with Article 2, Title 9, §354, subdivision 4 of the New York Public Authorities Law, and be it further

RESOLVED, that, pursuant to Article 2, Title 9, §358, subdivision 1 of the New York Public Authorities Law, the New York State Commissioner of Transportation ("Commissioner") is hereby authorized to acquire, by appropriation, the Property for and on behalf of the Authority, and to execute any and all agreements and



Item 6 by Mr. Bryan (Appendix F)

Declaring Real Property Reference No. TS081 Necessary for the Authority's Corporate Purposes; and Authorizing Its Acquisition via Appropriation (Continued)

documents necessary to consummate such appropriation of the Property on the terms approved herein, provided, however, that Board authorization shall be required for any additional expenditures related to such acquisition that are not judicially ordered, and be it further

RESOLVED, that the sum of \$65,000 be, and the same hereby is, approved as the value of the Property for the purpose of establishing the amount of just compensation to be offered to the fee owner thereof, and be it further

RESOLVED, that the Chief Financial Officer shall, relative to damages caused by the appropriation of the Property, promptly apprise the Board if: (1) the fee owner of the Property does not accept the foregoing sum as full compensation, and/or (2) any third parties file respective claims seeking compensation, and be it further

RESOLVED, that, based upon the rationale set forth in this agenda item, acquisition of the Property is hereby found to be de minimis in nature, and that, in accordance with §206 (D) of the New York Eminent Domain Procedure Law, the Authority hereby acknowledges itself as being exempt from the requirement of conducting a public hearing, and be it further

RESOLVED, that the recommendation regarding the environmental significance of this Board action (hereinafter, "Recommendation"), pursuant to the State Environmental Quality Review Act (hereinafter, "SEQRA"), be, and the same 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



Item 6 by Mr. Bryan (Appendix F)

Declaring Real Property Reference No. TS081 Necessary for the Authority's Corporate Purposes; and Authorizing Its Acquisition via Appropriation (Continued)

on behalf of the Board relative to the implementation of this Board action, 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 steps necessary to implement this Board action, and be it further

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

Item 7 by Mr. Bryan and Mr. Fleischer (Appendix G)

Minority and Women-Owned Business Enterprise (MWBE) Task Force Underwriter Recommendations

Mr. Bryan stated that this summer, Governor Paterson signed Executive Order No. 10 which established the Minority and Women-Owned Business Enterprise (MWBE) Task Force to seek ways to increase the utilization of minority and women owned firms as underwriters for State-supported debt offerings. In the Executive Order, the Authority was designated as a member of the Task Force and staff has been working with the Governor's Office, the State Comptroller's Office and a number of other public authorities that make up the Task Force to develop a set of recommendations that can be used to further the Governor's goals of enhancing MWBE opportunities.

The recommendations that were developed include methods for improving and standardizing the underwriting request for proposal process, increasing utilization of MWBE firms through syndicate formation and designation policies and the establishment of certain performance measures to ensure that past performance is used when the Authority forms future deal syndicates. On October 30, 2008, the Task Force formally adopted these recommendations and this item requests the Board's approval to accept them and make them part of the Authority's existing debt issuance process.

Mr. Plunkett requested clarification as to what makes up a MWBE. Mr. Bryan responded that there's a certification process to become a MWBE. Principally, a



Item 7 by Mr. Bryan and Mr. Fleischer (Appendix G)
Minority and Women-Owned Business Enterprise (MWBE) Task Force Underwriter
Recommendations (Continued)

majority of the company interest has to be owned by a minority and/or a woman. The certification goes through the Department of Economic Development and once approved it allows firms to take advantage of procurement opportunities. In the area of underwriting there are MWBE firms, and they are relatively smaller boutique firms. Mr. Plunkett inquired if they team up with larger firms who have more resources. Mr. Bryan responded that traditionally the Authority would select a book runner and select the firms that are able to make and close a book on a transaction. If a transaction goes south the firm is large enough to pick up the bonds and hold them. Traditionally, because the Authority's bond transactions have been so large it's really been a barrier for smaller firms, MWBE included, to get into that top tier because of the economics and the level of work that's involved. Mr. Bryan stated that there is a second tier, the co-senior tier, which forms part of the senior group of the syndicate to help disperse the bonds to retail investors or institutional firms. The third tier consists of co-managers and selling group members that are relatively smaller firms that mostly do tailored retail or tailored institutional distribution of bonds. Traditionally, smaller firms and MWBE firms have been in that third tier but in some instances have been able to move up to the co-senior level. The issue these firms have faced with transactions is that you need to have the experience to score well but if you don't have the score you can't get into the higher tier to get the experience so it's been very hard for smaller firms to break that barrier. The Thruway Authority is not unique, a number of Authorities had very conservative, cautious and prudent RFP rules and unfortunately that generally left a lot of newer and smaller firms out.

When this issue came about earlier in the year, Mr. Fleischer, Ms. O'Connor and Mr. Bryan discussed ways for the Authority to work in advance of the Task Force process. Early on staff decided to create a coordinating manager approach where the Authority could select one of the MWBE firms and have them serve as a partner to the book runner and share in this position. As part of that the MWBE firm would share in the economics of the transaction as well as share in the workload. The Authority did this throughout the summer both before and after the Task Force was formed and found it works with great success. The minority firms are learning a lot, gaining a lot of experience, making more money but are also contributing as well to the transaction. Mr. Plunkett inquired if this process creates additional expense to the issuing Authority. Mr. Bryan responded negatively. Mr. Plunkett stated that it all comes out through the course of the transaction through the entity that the MWBE is working with, to which Mr. Bryan responded affirmatively. Mr. Bryan stated that the Dormitory Authority does a lot of transactions each year, around 30 and by



Item 7 by Mr. Bryan and Mr. Fleischer (Appendix G)
Minority and Women-Owned Business Enterprise (MWBE) Task Force Underwriter
Recommendations (Continued)

comparison the Thruway Authority does very few, maybe 5 or 6. The Dormitory Authority's transactions are smaller so it may be easier for them to choose a different option from the Task Force recommendations to improve their minority firm participation. Authority staff believes this option works best and will be recommending to the Board on future transactions that this process continues.

Mr. Bryan stated that the Task Force also recommended a standard template for the RFP process for Authorities including standard questions and scoring regimens. The HFA, Dormitory Authority and the EFC have already issued their new RFP's under this new template. The Authority is scheduled to do so in the fall for two reasons. Principally, the Authority's bond schedule is pretty heavy in the spring and the Authority didn't want to go out on the street with a new RFP in the middle of the borrowing period that would cause all sorts of complications with the lobbying law. Also, the Authority didn't want to burden these firms with having five RFP's on the street at the same time.

Ms. Luh stated that she was glad this is being done and that staff should continue with this because the Authority needs to increase its minority and women participation in hiring. It is something she will personally be keeping an eye on and it was an issue she brought to Mr. Fleischer's attention as soon as she came on board with the Authority. Money needs to be spent in this area and the Thruway needs to be an example to other Authorities and she thanked staff for their work on this issue.

After full discussion, on the motion of Ms. Luh, seconded by Mr. Howard, without any objections, the Board accepted the MWBE Task Force Underwriter Recommendations



Item 8 by Ms. O’Conor and Mr. Bryan (Appendix H)
Approving and Adopting the Twelfth Supplemental Bond Resolution Authorizing the Issuance of Second General Highway and Bridge Trust Fund Bonds, Series 2009A, Approving the Form of and Authorizing the Preparation, Execution and Delivery of the Preliminary Official Statement and Authorizing the Execution and Distribution of the Final Official Statement, Approving the Form of the Bond Purchase Agreement for the Series 2009A Bonds, Authorizing the Execution of a Continuing Disclosure Agreement and Any Other Necessary Documents, Agreements, Consents or Certificates in Connection With the Sale of the Series 2009A Bonds

Ms. O’Conor stated that the sale of the Highway and Bridge Trust Fund Bonds provides funds to reimburse the state for the cost of the state highway and bridge capital program. The bonds are secured by payments made to the Authority from funds held in the state’s dedicated highway and bridge trust fund. Moneys held in the trust fund include a statutory allocation of all or a portion of the excise tax and business taxes and fees imposed on petroleum businesses, motor fuel, highway use, motor vehicles, auto rentals and transportation corporations. The state is not liable beyond the amounts appropriated for these payments and no other assets or revenues of the Authority are pledged to support these bonds.

Of the \$16.5 billion in statutory authorization, the Authority has previously issued over \$10 billion in bonds with approximately \$6.89 billion currently outstanding. The bonds are issued solely at the request of the Director of the Division of the Budget and the Authority has received a written request to issue an amount not to exceed \$250 million to finance new money projects and up to \$200 million for refunding purposes should the market present a refunding opportunity. The proposed sale was approved by the Audit and Finance Committee at its most recent meeting.

The current financing schedule has the Authority pricing in the middle of February with a closing in early March. Virginia Wong, who is a partner at Nixon Peabody, the Authority’s bond counsel for this transaction, is here today to answer any questions the Board may have regarding the documents or the transaction.

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



Item 8 by Ms. O’Conor and Mr. Bryan (Appendix H)
Approving and Adopting the Twelfth Supplemental Bond Resolution Authorizing the
Issuance of Second General Highway and Bridge Trust Fund Bonds, Series 2009A
(Continued)

RESOLUTION NO. 5727

APPROVING AND ADOPTING THE TWELFTH SUPPLEMENTAL BOND RESOLUTION AUTHORIZING THE ISSUANCE OF SECOND GENERAL HIGHWAY AND BRIDGE TRUST FUND BONDS, SERIES 2009A, APPROVING THE FORM OF AND AUTHORIZING THE PREPARATION, EXECUTION AND DELIVERY OF THE PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING THE EXECUTION AND DISTRIBUTION OF THE FINAL OFFICIAL STATEMENT, APPROVING THE FORM OF THE BOND PURCHASE AGREEMENT FOR THE SERIES 2009A BONDS, AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE AGREEMENT AND ANY OTHER NECESSARY DOCUMENTS, AGREEMENTS, CONSENTS OR CERTIFICATES IN CONNECTION WITH THE SALE OF THE SERIES 2009A BONDS

RESOLVED, that Chapter 56 of the Laws of 1993 (“Chapter 56”), as amended, authorizes the Authority, solely upon the request of the Director of the Budget, to issue up to \$16.5 billion of Dedicated Highway and Bridge Trust Fund Bonds (exclusive of reserve funds and certain financing costs and bonds issued for refunding purposes) to finance or refinance the cost of various state highway, bridge and multi-modal projects as more fully described in Section 89-b of the State Finance Law, and be it further

RESOLVED, that Chapter 56, as amended, authorizes the Commissioner of Transportation to enter into a Dedicated Highway and Bridge Trust Fund Cooperative Agreement on behalf of the State, with the Authority (the “Cooperative Agreement”) to provide for the financing of dedicated highway, bridge and multi-modal trust fund projects (the “Projects”) pursuant to Section 10-e of the Highway Law, and be it further



Item 8 by Ms. O’Conor and Mr. Bryan (Appendix H)
Approving and Adopting the Twelfth Supplemental Bond Resolution Authorizing the
Issuance of Second General Highway and Bridge Trust Fund Bonds, Series 2009A
(Continued)

RESOLVED, that on May 19, 1994 the Board adopted a General Highway and Bridge Trust Fund Bond Resolution (as amended, the “First General Trust Fund Resolution”) which authorizes the bonds of the Authority, designated as “General Highway and Bridge Trust Fund Bonds” (the “First General Trust Fund Bonds”) to finance all or a portion of the cost of the Projects, and to refinance bonds previously issued for such purpose, and be it further

RESOLVED, that on May 19, 1994, November 15, 1995 and June 27, 2000, respectively, the Board approved the execution of a Cooperative Agreement and amended and restated such Cooperative Agreement to provide for the financing of Projects pursuant to Section 10-e of the Highway Law and 385 of the Public Authorities Law, and be it further

RESOLVED, that on February 27, 2003, at Meeting No. 616, pursuant to Resolution No. 5284, the Board adopted a Second General Highway and Bridge Trust Fund Bond Resolution (as amended, the “Second General Trust Fund Resolution”) which authorized the bonds of the Authority, designated as “Second General Highway and Bridge Trust Fund Bonds” (hereinafter the “Second General Trust Fund Bonds”) for the same purposes as bonds authorized pursuant to the First General Trust Fund Resolution, with the exception that the Second General Trust Fund Bonds shall not be secured by a debt service reserve fund, and be it further

RESOLVED, that Sections 201, 202, 203 and 204 of the Second General Trust Fund Resolution require that the issuance of Second General Highway and Bridge Trust Fund Bonds by the Authority shall be authorized by a supplemental resolution or resolutions of the Authority adopted at or prior to the time of issuance, and be it further



Item 8 by Ms. O’Conor and Mr. Bryan (Appendix H)
Approving and Adopting the Twelfth Supplemental Bond Resolution Authorizing the Issuance of Second General Highway and Bridge Trust Fund Bonds, Series 2009A (Continued)

RESOLVED, that Section 902 of the Second General Trust Fund Resolution empowers the Authority to adopt, for any one or more of the purposes set forth therein, a supplemental resolution, and be it further

RESOLVED, that there has been prepared and submitted to the Board a form of Twelfth Supplemental Bond Resolution Authorizing the Issuance of Second General Highway and Bridge Trust Fund Bonds, Series 2009A (the “Supplemental Resolution”), supplementing the Second General Trust Fund Resolution, to authorize the issuance of such Second General Highway and Bridge Trust Fund Bonds, Series 2009A in one or more series or sub-series to refund all or a portion of Outstanding Trust Fund Bonds provided that present value savings would result therefrom satisfactory to the Authority and the State and to finance the cost of certain Projects, and be it further

RESOLVED, that upon the request of the Director of the Budget, the Authority intends to issue Second General Highway and Bridge Trust Fund Bonds, Series 2009A (the “Series 2009A Bonds”) in one or more series or sub-series in order to (i) refund all or a portion of the Outstanding Trust Fund Bonds in an amount not to exceed \$200,000,000 (provided the foregoing conditions are satisfied); and (ii) finance the costs of various Projects and pay certain costs of issuance of the Series 2009A Bonds in an amount not to exceed \$250,000,000, and be it further

RESOLVED, that any refunding bonds authorized hereby may be issued simultaneously with or subsequent to the issuance of Series 2009A Bonds that are issued to finance new projects, but not later than May 31, 2009, and be it further



Item 8 by Ms. O’Conor and Mr. Bryan (Appendix H)
Approving and Adopting the Twelfth Supplemental Bond Resolution Authorizing the
Issuance of Second General Highway and Bridge Trust Fund Bonds, Series 2009A
(Continued)

RESOLVED, that the Authority intends to sell, solely upon the request of the Director of the Budget, pursuant to the Second General Trust Fund Resolution and the Supplemental Resolution its Series 2009A Bonds, to the underwriters pursuant to one or more Bond Purchase Agreements, each “Bond Purchase Agreement”, the form of which Bond Purchase Agreement has been set before the Board, and be it further

RESOLVED, that the Board approves and adopts the form of the Supplemental Resolution as submitted at this meeting and made a part of this resolution as though set forth in full herein, and authorizes an Authorized Officer to approve and execute such changes to the Supplemental Resolution through a certificate or certificates of determination as may be deemed necessary or convenient to effectuate the purposes thereof, and be it further

RESOLVED, that in connection with the sale of the Series 2009A Bonds, the Board approves the form of the Preliminary Official Statement as submitted to this meeting and made a part of this resolution as though set forth in full herein, and authorizes an Authorized Officer to approve and execute such changes as may be deemed necessary or convenient to effectuate the purposes thereof, and be it further

RESOLVED, that the Board authorizes the distribution of the Preliminary Official Statement relating to the Series 2009A Bonds by an Authorized Officer, in substantially the form submitted to this meeting with such changes, insertions and omissions to the Preliminary Official Statement as may be approved by such Authorized Officer, said delivery being conclusive evidence of such approval, and any amendments or supplements thereto which may be necessary or desirable, and be it further



Item 8 by Ms. O’Conor and Mr. Bryan (Appendix H)
Approving and Adopting the Twelfth Supplemental Bond Resolution Authorizing the
Issuance of Second General Highway and Bridge Trust Fund Bonds, Series 2009A
(Continued)

RESOLVED, that the Board authorizes an Authorized Officer, to confirm that any Preliminary Official Statement of the Authority relating to the Series 2009A Bonds for the financing of new money projects is deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, except for certain omissions relating to certain State information and information not required under said Rule to be included therein, and be it further

RESOLVED, that the Board authorizes an Authorized Officer, to execute and deliver, on behalf of the Authority, one or more final Official Statements relating to the Series 2009A Bonds with such changes, insertions and omissions to the applicable Preliminary Official Statement as may be approved by such Authorized Officer, said execution being conclusive evidence of such approval, and any amendments or supplements thereto which may be necessary or desirable. Any material changes from the Preliminary Official Statement (excluding information provided by or certified as to accuracy by the State of New York) approved pursuant to this resolution to be made in a final Official Statement relating to the Series 2009A Bonds issued to finance new projects which are not made pursuant to matters which are authorized to be determined by an Authorized Officer pursuant to this resolution, the Supplemental Resolution or a Certificate of Determination (as defined in the Second General Trust Fund Resolution) shall be distributed to members of the Authority for comments, if any, from such members prior to final printing. After execution, such Authorized Officer or their designee, is hereby authorized to deliver to the purchasers of the Series 2009A Bonds an executed copy or copies of such final Official Statement and any amendments or supplements thereto, and be it further



Item 8 by Ms. O’Conor and Mr. Bryan (Appendix H)
Approving and Adopting the Twelfth Supplemental Bond Resolution Authorizing the Issuance of Second General Highway and Bridge Trust Fund Bonds, Series 2009A (Continued)

RESOLVED, that the Board approves the form of the Bond Purchase Agreement submitted to this meeting and made a part of this resolution as though set forth in full herein, in the manner set forth in Section 301 of the Supplemental Resolution and authorizes an Authorized Officer to execute and deliver the Bond Purchase Agreement and to approve and execute such changes to such Bond Purchase Agreement as may be deemed necessary or convenient to effectuate the purposes thereof, and be it further

RESOLVED, that the Board approves the form of the Continuing Disclosure Agreement submitted to this meeting and made a part of this resolution as though set forth in full herein and authorizes an Authorized Officer to execute and deliver the Continuing Disclosure Agreement and to approve and execute such changes to the Continuing Disclosure Agreement as may be deemed necessary or convenient to effectuate the purposes thereof, and be it further

RESOLVED, that an Authorized Officer is authorized to execute one or more Escrow Deposit Agreements in connection with any refunding and to execute any necessary amendments to the Cooperative Agreement or any other agreement with the State in relation to the program, and be it further

RESOLVED, that an Authorized Officer is authorized to execute upon such terms and conditions as are determined to be in the best interests of the Authority and are consistent with the provisions of the Supplemental Resolution any additional agreements including, but not limited to, consents and any other documents or certificates and to appoint any other agents or appropriate parties, necessary or desirable to facilitate the sale of the bonds



Item 8 by Ms. O’Conor and Mr. Bryan (Appendix H)
Approving and Adopting the Twelfth Supplemental Bond Resolution Authorizing the Issuance of Second General Highway and Bridge Trust Fund Bonds, Series 2009A (Continued)

issued by the Authority, determined by such Authorized Officer to be necessary or desirable to implement the transactions described in this resolution and to be consistent with existing statutes, Authority guidelines, policies, procedures and other existing obligations and covenants and to do and cause to be done any and all acts and things necessary or convenient for carrying out the transactions contemplated by this resolution, and be it further

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

Item 9 by Ms. Allen (Appendix I)
Authorizing an Amendment to the New York State Thruway Authority Rules and Regulations in Relation to the Freedom of Information Law

Ms. Allen stated that this Item is the same as the Item presented earlier to the Canal Corporation Board however, this Item changes the person to whom a request for records must be addressed from the Authority’s Board Administrator to the Records Access Officer.

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

RESOLUTION NO. 5728
AUTHORIZING AN AMENDMENT TO THE NEW YORK STATE THRUWAY AUTHORITY RULES AND REGULATIONS IN RELATION TO THE FREEDOM OF INFORMATION LAW

RESOLVED, that the Board approves the proposed amendments to the Authority’s rules and regulations as presented in Exhibit 1 attached hereto and authorizes the Executive Director, or his designee, to take all actions necessary for adoption of such amendments in accordance with the State Administrative Procedure Act, and any other



Item 9 by Ms. Allen (Appendix I)

Authorizing an Amendment to the New York State Thruway Authority Rules and Regulations in Relation to the Freedom of Information Law (Continued)

applicable statutes, orders, policies and procedures, and be it further

RESOLVED, that the Executive Director is authorized to make modifications to such amendments as he deems appropriate in response to any comments that may be received during the adoption process conducted in accordance with the State Administrative Procedure Act, and other applicable statutes, orders, policies and procedures, and be it further

RESOLVED, that coordinating and responding to Freedom of Information Law (FOIL) requests be the responsibility of a Records Access Officer as designated by the Executive Director, and be it further

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

Item 10 by Mr. Barr (Appendix J)

Approving Revisions to the Affirmative Action/Equal Opportunity Policy (25-2-24)

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

RESOLUTION NO. 5729

APPROVING REVISIONS TO THE AFFIRMATIVE ACTION/EQUAL OPPORTUNITY POLICY (25-2-24)

RESOLVED, that the Affirmative Action/Equal Opportunity Policy (25-2-24), attached hereto as Appendix A be, and hereby is, approved, and be it further

RESOLVED, that such Policy shall take effect immediately, and be it further



Item 10 by Mr. Barr (Appendix J)

Approving Revisions to the Affirmative Action/Equal Opportunity Policy (25-2-24)
(Continued)

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

Item 11 by Mr. Bell (Appendix K)

Authorizing the Executive Director to Execute an Agreement with the New York State Bridge Authority for the Provision of E-ZPass® Services

Ms. Crotty inquired if this company was the same one the Board had previously questioned regarding its fitness. Mr. Bell responded affirmatively, stating that that contract was approved and is in place and this is a separate agreement with the Bridge Authority for the provision of services through that contract.

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

RESOLUTION NO. 5730

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT WITH THE NEW YORK STATE BRIDGE AUTHORITY FOR THE PROVISION OF E-ZPASS SERVICES

RESOLVED, that the Executive Director be, and hereby is, authorized to execute an agreement with the New York State Bridge Authority (“NYSBA”) for the provision of E-ZPass services (“Agreement”), and be it further

RESOLVED, that such Agreement shall have a term that is coterminous with the term of the Authority’s June 12, 2007 agreement with ACS State & Local Solutions, Inc for operation of the New York Customer Service Center, shall provide that NYSBA reimburse the Authority for the operational and other costs associated with processing NYSBA’s E-ZPass transactions, and shall be on such other terms and conditions as the Executive Director, in consultation with the General Counsel, determines to be in the best interests of the Authority, and be it further



Item 11 by Mr. Bell (Appendix K)

Authorizing the Executive Director to Execute an Agreement with the New York State Bridge Authority for the Provision of E-ZPass® Services (Continued)

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 Agreement, manage and administer the Agreement, amend the provisions of the Agreement consistent with the terms of this item 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 full in the minutes of this meeting

Item 12 by Mr. Bell (Appendix L)

Authorizing the Executive Director to Extend and Modify an Agreement with the New York State Division of State Police for Troop T to Provide Services on Interstate 84 (I-84)

Mr. Howard inquired if the contract period with the State Police was in sync with the contract period with DOT. Mr. Bell responded negatively, adding that the two contracts are totally out of sync. Mr. Fleischer stated the these are two different entities, if DOT decided to fully take over I-84 before this contract was over the Authority could get out of this contract with the State Police. Mr. Bryan added that if that should happen DOT may decide that they were willing to take over operation and maintenance of I-84 but wanted to maintain the level of policing provided by Troop T.

Mr. Sall requested clarification on whether or not the reimbursement includes all costs including cars, radios, etc. Mr. Bell responded affirmatively adding that the Authority receives full reimbursement.

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

RESOLUTION NO. 5731

**AUTHORIZING THE EXECUTIVE DIRECTOR TO
EXTEND AND MODIFY AN AGREEMENT WITH THE
NEW YORK STATE DIVISION OF STATE POLICE FOR**



Item 12 by Mr. Bell (Appendix L)

Authorizing the Executive Director to Extend and Modify an Agreement with the New York State Division of State Police for Troop T to Provide Services on Interstate 84 (I-84) (Continued)

TROOP T TO PROVIDE SERVICES ON INTERSTATE 84 (I-84)

RESOLVED, that the Executive Director be, and hereby is, authorized to extend until March 31, 2010 and modify the agreement with State Police for Troop T to provide services on I-84, 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 agreement, manage and administer the agreement, amend the provisions of the agreement consistent with the terms of this item and other Board authorizations, and extend the agreement provided the Authority's costs are fully reimbursed or credited and suspend or terminate the agreement in the best interests of the Authority, and be it further

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

Item 13 by Mr. Gemmiti (Appendix M)

Report on the Capital Program

On the motion of Mr. Howard, seconded by Mr. Plunkett, without any objections, the Board accepted the Authority's reports (2008-5 and 2008-6) on the Capital Program.

Item 14 by Mr. Gemmiti and Mr. Bryan (Appendix N)

Authorizing Negotiation and Execution of Engineering Agreement D213816 with Henningson, Durham & Richardson Architecture and Engineering, P.C. for Consulting Services Relative to the Finance and Operation of the Thruway System

Mr. Howard requested a detailed description of what's going on and why the Authority's long-term traffic engineering firm was being supplanted by this new



Item 14 by Mr. Gemmiti and Mr. Bryan (Appendix N)

Authorizing Negotiation and Execution of Engineering Agreement D213816 with Henningson, Durham & Richardson Architecture and Engineering, P.C. for Consulting Services Relative to the Finance and Operation of the Thruway System (Continued)

contract, adding that he has some concerns about continuity and the qualifications of this firm. Mr. Bryan responded that this fall staff pursued a competitive procurement process under the Authority's engineering procurement rules and there were several bidders, Stantec was one of them, to go through the next four year period as the Authority's traffic consultant. Through that process staff determined that HDR was the most qualified to do so. Stantec, previously known as Vollmer, has been the Authority's traffic consultant since the inception of the Thruway. Stantec underwent some corporate changes when they took over Vollmer and HDR, along with a syndicate of firms, put in a better bid. HDR has had quite a bit of experience at the Authority on the design end, as well as work done on the Williamsville toll study and traffic analysis. One of the syndicate members had a large role in the development of the Authority's toll study, as well as contributing now to the Volpe study. Staff determined that the team members that form the syndicate, with HDR's lead, was very experienced with a lot of knowledge of the Authority and some specific projects. Another member of the syndicate is working on the Tappan Zee Bridge Corridor study. Staff felt that the combination of the price and the quality of the team and their availability, along with the other things staff look at when judging these contract was ideal.

Mr. Howard inquired as to their financial market predictions, questioning whether they would be as valuable to the Authority as Stantec's had been. Mr. Bryan responded that there is a transition meeting set up in the coming weeks with a pledge from Stantec and HDR to have a smooth transition. The traffic and revenue forecasts are not just numbers that come out in a report, but are used as a basis for staff's judgements as to how the Authority should be run from a revenue and expense point of view. Mr. Howard asked when the Authority would pickup traffic forecasts prepared by HDR. Mr. Bryan stated that in the first quarter the Authority will be relying on Stantec because staff will be coming to the Board with a general revenue bond sale in March that's going to require an updated traffic report and staff are already involved in that process with Stantec. Presumably in May or June the Board will start to hear more about HDR's update but Stantec will still be working with the Authority on the modernization study. Mr. Howard inquired if staff thought there would be a bust at some point where Stantec predicts one thing and HDR predicts another. Mr. Bryan responded negatively, adding that



Item 14 by Mr. Gemmiti and Mr. Bryan (Appendix N)
Authorizing Negotiation and Execution of Engineering Agreement D213816 with
Henningson, Durham & Richardson Architecture and Engineering, P.C. for
Consulting Services Relative to the Finance and Operation of the Thruway System
(Continued)

there will be a cut off point so that the firms' forecasts will not overlap. Traffic is a relatively unique thing to predict. Stantec's forecast for 2008 was quite good. They predicted a 3 percent traffic decrease and it ended up at 2.9 percent. Mr. Howard stated that he understands Vollmer has had a niche such as this and he assumes that their predictions are respected within the financial community. Mr. Bryan responded that HDR has a similar reputation and background, they have a long list of firms and Authorities for whom they've done traffic analysis.

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

RESOLUTION NO. 5732

**AUTHORIZING NEGOTIATION AND EXECUTION OF
ENGINEERING AGREEMENT D213816 WITH
HENNINGSON, DURHAM & RICHARDSON
ARCHITECTURE AND ENGINEERING, P.C. FOR
CONSULTING SERVICES RELATIVE TO THE
FINANCE AND OPERATION OF THE THRUWAY
SYSTEM**

RESOLVED, that the Chief Engineer be, and hereby is, authorized to negotiate and execute engineering agreement D213816 with Henningson, Durham & Richardson Architecture and Engineering, P.C., 711 Westchester Avenue, White Plains York, New York 10604, for consulting services relative to the Finance and Operation of the Thruway System for a term of four years, provided that the Maximum Amount Payable does not exceed \$800,000, 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



Item 14 by Mr. Gemmiti and Mr. Bryan (Appendix N)
Authorizing Negotiation and Execution of Engineering Agreement D213816 with Henningson, Durham & Richardson Architecture and Engineering, P.C. for Consulting Services Relative to the Finance and Operation of the Thruway System (Continued)

this item and in accordance with the 2009 Contracts Program and other Board authorizations, and suspend or terminate the agreement in the best interests of the Authority, and be it further

RESOLVED, that the Chief Financial Officer be, and he hereby is, authorized to charge expenditures for such project to the appropriate funds provided therefore, subject to reallocation and adjustment as determined by final audit of such charges, 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 15 by Mr. Gemmiti (Appendix O)
Authorizing Negotiation and Execution of Engineering Agreement D213834 with Urban Engineers of New York, P.C. for Construction Inspection Services Relative to I-190 (Niagara Section) Concrete Pavement Rehabilitation from M.P. N0.0 to M.P. N10.0 in the Buffalo Division

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

RESOLUTION NO. 5733
AUTHORIZING NEGOTIATION AND EXECUTION OF ENGINEERING AGREEMENT D213834 WITH URBAN ENGINEERS OF NEW YORK, P.C. FOR CONSTRUCTION INSPECTION SERVICES RELATIVE TO I-190 (NIAGARA SECTION) CONCRETE



Item 15 by Mr. Gemmiti (Appendix O)
Authorizing Negotiation and Execution of Engineering Agreement D213834 with Urban Engineers of New York, P.C. for Construction Inspection Services Relative to I-190 (Niagara Section) Concrete Pavement Rehabilitation from M.P. N0.0 to M.P. N10.0 in the Buffalo Division (Continued)

PAVEMENT REHABILITATION FROM M.P. N0.0 TO M.P. N10.0 IN THE BUFFALO DIVISION

RESOLVED, that the Chief Engineer be, and hereby is, authorized to negotiate and execute engineering agreement D213834 with Urban Engineers of New York, P.C., 403 Main Street, Suite 530, Buffalo, New York 14203, for construction inspection services relative to I-190 (Niagara Section) Concrete Pavement Rehabilitation from M.P. N0.0 to M.P. N10.0 in the Buffalo Division, provided that the Maximum Amount Payable does not exceed \$810,000 (funding is provided through Item H413.1 of the 2009 Contracts Program), 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 2009 Contracts Program Resolution 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 16 by Mr. Gemmiti (Appendix P)

Authorizing Negotiation and Execution of Engineering Term Agreement D213832 with Prudent Engineering, LLP for Construction Inspection Support Services for the Syracuse Division

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

RESOLUTION NO. 5734

**AUTHORIZING NEGOTIATION AND EXECUTION OF
ENGINEERING TERM AGREEMENT D213832 WITH
PRUDENT ENGINEERING, LLP FOR CONSTRUCTION
INSPECTION SUPPORT SERVICES FOR SYRACUSE
DIVISION**

RESOLVED, that the Chief Engineer be, and hereby is, authorized to negotiate and execute engineering term agreement D213832 with Prudent Engineering, LLP, 6390 Fly Road, East Syracuse, New York, 13057, for construction inspection support services for Syracuse Division, provided that the Maximum Amount Payable does not exceed \$1,000,000 which is currently provided through the 2009 Contracts Program (Item HS598.1), 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 2009 Contracts Program Resolution 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



Item 16 by Mr. Gemmiti (Appendix P)

Authorizing Negotiation and Execution of Engineering Term Agreement D213832 with Prudent Engineering, LLP for Construction Inspection Support Services for the Syracuse Division (Continued)

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

Item 17 by Mr. Gemmiti (Appendix Q)

Authorizing Negotiation and Execution of Engineering Agreement D213819 with KTA-Tator Engineering Services, P.C. for Construction Inspection Services Relative to TAB 08-49BP, Painting of Eleven Bridges in the Buffalo Division

Mr. Sall inquired if this is the type of inspection where the Authority needs outside expertise to look at a paint job on bridges. Mr. Gemmiti responded affirmatively stating that generally speaking it is. The paint is measured in mills and there are the containment laws for bridge painting. It is something the Division staff could handle if they had a lighter workload but at this time it is necessary to hire a consultant to do that work.

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

RESOLUTION NO. 5735

AUTHORIZING NEGOTIATION AND EXECUTION OF ENGINEERING AGREEMENT D213819 WITH KTA-TATOR ENGINEERING SERVICES, P.C. FOR CONSTRUCTION INSPECTION SERVICES RELATIVE TO TAB 08-49BP, PAINTING OF ELEVEN BRIDGES IN THE BUFFALO DIVISION

RESOLVED, that the Chief Engineer be, and hereby is, authorized to negotiate and execute engineering agreement D213819 with KTA-Tator Engineering Services, P.C., 115 Technology Drive, Pittsburgh, Pennsylvania 15275 for construction inspection services relative to TAB 08-49BP, Painting of Eleven Bridges in the Buffalo Division, provided that the Maximum Amount Payable does not exceed \$600,000 (as noted in Item B927.1 of the 2009 Contracts Program), and be it further



Item 17 by Mr. Gemmiti (Appendix Q)

Authorizing Negotiation and Execution of Engineering Agreement D213819 with KTA-Tator Engineering Services, P.C. for Construction Inspection Services Relative to TAB 08-49BP, Painting of Eleven Bridges in the Buffalo Division (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 2009 Contracts Program Resolution 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 18 by Mr. Gemmiti (Appendix R)

Authorizing Negotiation and Execution of Engineering Term Agreement D213824 with Henningson, Durham & Richardson Architecture and Engineering, P.C. for Design Support Services for Various Tappan Zee Bridge Rehabilitation Projects in the New York Division

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

RESOLUTION NO. 5736

AUTHORIZING NEGOTIATION AND EXECUTION OF ENGINEERING TERM AGREEMENT D213824 WITH HENNINGSON, DURHAM & RICHARDSON ARCHITECTURE AND ENGINEERING, P.C. FOR DESIGN SUPPORT SERVICES FOR VARIOUS TAPPAN ZEE BRIDGE REHABILITATION PROJECTS IN THE NEW YORK DIVISION



Item 18 by Mr. Gemmiti (Appendix R)

Authorizing Negotiation and Execution of Engineering Term Agreement D213824 with Henningson, Durham & Richardson Architecture and Engineering, P.C. for Design Support Services for Various Tappan Zee Bridge Rehabilitation Projects in the New York Division (Continued)

RESOLVED, that the Chief Engineer be, and hereby is, authorized to negotiate and execute engineering term agreement D213824 with Henningson, Durham & Richardson Architecture and Engineering, P.C., 500 7th Avenue, New York, New York, 10018, for design support services for various Tappan Zee Bridge rehabilitation projects in the New York Division, provided that the Maximum Amount Payable does not exceed \$2,000,000 which is currently provided through the 2009 Contracts Program (Item B905.4), 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 2009 Contracts Program Resolution 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 19 by Mr. Gemitti (Appendix S)

Authorizing an Amendment to the 2009 Contracts Program for Eight Projects

The Authority has submitted a list of projects for inclusion into the Federal economic stimulus program that is currently being proposed. While the stimulus program and associated projects have not been finalized, the Authority needs to be prepared to let these projects within a prescribed period of time. The Authority has requested that the cost of construction and construction inspection for the projects listed in Exhibit A of Appendix S be funded with one hundred percent Federal aid. As a result, no Thruway funding adjustments would be necessary for the 2009 Contracts Program if the stimulus program was implemented by the Federal government. Contingent upon passage of the Federal economic stimulus program and the above funding assumptions, staff requests authorization to amend the 2009 Contracts Program to proceed with the eight projects.

At the request of Mr. Plunkett, Mr. Gemitti read aloud the list of projects found in Exhibit A of the attached Appendix S. Mr. Fleischer added that if the Authority were to get the funds and accelerate the projects listed, that could be let within 90 or 180 days, it would give Mr. Bell and Mr. Waite an opportunity to go back to the Contracts Program and look at the projects that were previously deferred due to escalating costs and perhaps pull them back in to 2009.

Ms. Crotty inquired if these projects are in the House version of the bill. Mr. Fleischer responded that they are included in the list submitted to the Governor by the Authority. She inquired as to how staff created this list. Mr. Fleischer and Mr. Bell responded that it was created based on the time frames provided which were projects that could be designed and let within 90, 120, or 180 days. She inquired if the list presented was the total list of projects that fall into that category or if it's a sub-list that was culled. Ms. Allen and Mr. Bell responded that this was the complete list submitted to the Governor for consideration. Decisions were made based on projects staff felt could meet the criteria for design and the tight letting schedule. Ms. Crotty stated that the selected projects were boring compared to what the Authority and Board are trying to accomplish, specifically mentioning projects such as Highway Speed E-ZPass, which was not on the list. Mr. Bell responded that the 90 day time limit was a large factor in what was added. Mr. Fleischer stated that because presumably this would grow the Authority's Capital Program from \$2.1 billion to \$2.4 billion it would allow these projects to move up from 2010 and would iopen up \$300,000 million for those projects that were deferred such as Highway Speed E-ZPass.



Item 19 by Mr. Gemitti (Appendix S)

Authorizing an Amendment to the 2009 Contracts Program for Eight Projects (Continued)

Mr. Sall stated that he was under the impression that plans were pretty far along with regard to the Yonkers Highway Speed E-ZPass. Mr. Fleischer stated that staff had not yet begun to design that project. Mr. Bell agreed with Mr. Fleischer, adding that there is a project estimate for Yonkers for budgeting purposes but no design. Mr. Fleischer added that even the Williamsville project which staff has been looking at for years wouldn't meet the criteria of having construction begin in 180 days. Mr. Bell stated that in addition to pulling back in projects that were completely deferred a lot of projects that were reduced in scope could be revisited and the scope could be enhanced to complete the more intense projects that are truly needed.

Mr. Sall inquired as to what type of permitting would be involved in moving forward on the Yonkers project. Mr. Bell and Mr. Gemitti responded that it would be long and extensive, depending if there are wetlands involved, storm water permits, and it would need to go through the Federal NEPA process.

Mr. Gemitti stated that the projects staff chose for this list were the projects they were confident they could get out in the 180 day limit. The Tappan Zee project and the I-95 project were on the outside limits, those are the ones staff is going to have to put a huge effort into to make the letting and award dates. The mill and inlays staff are extremely confident that they can get done and out on the street within the time restrictions.

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

RESOLUTION NO. 5737

**AUTHORIZING AN AMENDMENT TO THE 2009
CONTRACTS PROGRAM FOR EIGHT PROJECTS**

RESOLVED, contingent on passage of the Federal economic stimulus program, that the amendments to the 2009 Contracts Program: accelerate the lettings for the following projects from 2010 to 2009: B905.4, Tappan Zee Bridge Partial Deck Replacement, Contract 2; Item H1072.1, Pavement Resurfacing, Carrier Circle (Exit 35) to Electronics Parkway (Exit 37); Item H905.1, Pavement Resurfacing, West of Weedsport (Exit 40) to Waterloo (Exit



Item 19 by Mr. Gemitti (Appendix S)

Authorizing an Amendment to the 2009 Contracts Program for Eight Projects (Continued)

41); Item H2171.1, Pavement Resurfacing, Geneva (Exit 42) to Canandaigua (Exit 44); Item H508.1, Pavement Resurfacing, Leroy (Exit 47) to West of Batavia (Exit 48); Item H1010.1, Pavement Resurfacing, West of Batavia (Exit 48) to West of Pembroke (Exit 48A); add a new Item, Pavement Resurfacing, West Seneca (Exit 54) to the Lackawanna Toll Barrier, to the 2009 Contracts Program with a 2009 letting; and add a new Item, Pavement Resurfacing with Pavement Repairs at Various Locations on I-90 and I-87 in Albany, Syracuse and Buffalo Divisions, to the 2009 Contracts Program with 2009 lettings, be, and the same hereby is, approved, and be it further

RESOLVED, because the construction and construction inspection costs for the proposed Federal economic stimulus program projects will be funded with one hundred percent Federal aid, no Thruway funding adjustments are needed for the 2009 Contracts Program, 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

Mr. Plunkett stated that he's seen in the newspapers in the Tappan Zee Bridge area that additional work will be starting on replacement of some of the deck. Mr. Fleischer responded that the Authority will be finishing up Phase I. Mr. Plunkett stated that the last time there was concern expressed by commuters regarding the plates that were used during rush hour and high volume travel times. He inquired if that was going to be addressed and wanted to insure that that's going to be a priority item. Mr. Fleischer responded affirmatively and added that staff has looked into alternatives including adding asphalt to make the transition a little better. This time staff will be working with the Authority's communication team to get the message out better about when these plates are going to be out there. Mr. Mehta's staff are looking into perhaps doing the work on the weekend as opposed to having the plates there during the week which may have a bigger impact over a shorter period of time. Mr. Plunkett requested that notice be provided to the Board prior to the beginning of the work to inform them as to how the work will be done and how staff are going to ameliorate that problem. Mr. Fleischer responded affirmatively.

Adjournment

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

Jill B. Warner
Secretary

