



MINUTES
NEW YORK STATE THRUWAY AUTHORITY
BOARD MEETING NO. 717
February 23, 2016

Minutes of a meeting of the New York State Thruway Authority, held in the board room at, 200 Southern Boulevard, Albany, New York.

The meetings of the New York State Thruway Authority and Canal Corporation Boards opened in joint session for the consideration of various matters. These minutes reflect only those items considered by the New York State Thruway Authority Board. The meeting began at 11:30 a.m.

Members of the Board present were:

Joanne M. Mahoney, Chair
Donna J. Luh, Vice Chairperson
Richard N. Simberg, Board Member
J. Donald Rice, Jr., Board Member

Members of the Board excused:

Jose Holguin-Veras, Ph.D.

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

Staff Present:

Maria Lehman, Interim Executive Director
Karen Hunter, Chief of Staff
Gordon Cuffy, General Counsel
Brian Stratton, Director of the NYS Canal Corporation
John Barr, Director of Administrative Services

Matt Howard, Treasurer and Chief Financial Officer
Larry Norville, Chief Compliance Officer
Cathy Sheridan, Acting Chief Engineer
Harry Lennon, Department of Audit & Management Services
Major Joseph Dodd, NYS Police
Mark Hixson, Deputy Director Maintenance & Operations
Doug Tokarczyk, Acting Buffalo Division Director
Joseph Moloughney, Acting Albany Division Director
Pat Hoehn, Acting Syracuse Division Director
Stephen Grabowski, Acting New York Division Director
John Callaghan, Deputy Director of the NYS Canal Corporation
Jennifer Givner, Director of Media Relations & Communications
Jerry Yomoah, Board Administrator

Also in attendance:

Darcy Volans, Member of the Public
Rick Karlin, Times Union
Skip Dickstein, Times Union
Greg Floyd, CBS 6
Ron Thaniel, Deputy Secretary for Transportation, Office of Governor Andrew M. Cuomo
Dan Cohen, Director - Citigroup
Bill Thompson, Sr., Managing Director - Siebert Brandford Shank & Co., LLC
John Carter, Managing Director - Siebert Brandford Shank & Co., LLC
Monika Conley, Senior Managing Director - Public Resources Advisory Group
Doron M. Bar-Levav, Partner - Harris Beach PLLC
Eric P. Taylor, Partner - Harris Beach PLLC

Chair Mahoney called the meeting of the Thruway Authority and Canal Corporation Boards to order.

Mr. Yomoah recorded the minutes as contained herein (public notice of the meeting had been given).

PUBLIC COMMENT PERIOD RELATED TO THE MEETING AGENDA

There were no comments made during the period.

Item 1 by Chair Mahoney (Appendix A) **Approval of Minutes of Meeting No. 716**

Chair Mahoney asked for a motion to approve the minutes of the previous meeting. Upon motion duly made and seconded, the Board approved the minutes of Meeting No. 716 held on January 12, 2016, which were made available to the Board Members as part of the Agenda.

Item 2 by Mr. Howard (Appendix B)
Financial Reports for December 2015

The financial report was advanced to the Board at the recommendation of the Finance Committee.

Upon motion duly made and seconded, the Board accepted the Financial Reports for December 2015.

Item 3 by Mr. Howard (Appendix C)
To consider and act upon the investment transaction report for the fourth quarter of 2015

The investment transactions report was advanced to the Board at the recommendation of the Finance Committee.

Upon motion duly made and seconded, the Board accepted the investment transactions report for the fourth quarter of 2015.

Item 4 by Ms. Lehman (Appendix D)
Approval of a New Salary Schedule for Management/Confidential Employees

The new salary schedule for Management/Confidential employees was advanced to the Board at the recommendation of the Finance Committee.

Upon motion duly made and seconded, the Board approved the new salary schedule and adopted the following resolution:

RESOLUTION NO. 6079
AUTHORIZATION FOR THE INTERIM EXECUTIVE DIRECTOR
TO APPROVE NEW GENERAL SALARY INCREASES FOR
MANAGEMENT/CONFIDENTIAL EMPLOYEES

RESOLVED, the Board authorize the Interim Executive Director to implement a 2% increase of the base salary of eligible Management/Confidential (M/C) employees and the M/C Salary Schedule (Exhibit A) effective and paid retroactively to January 1, 2016 as outlined in

the New York State Budget Bulletin D-1132; and

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

Item 5 by Mr. Howard (Appendix E)

Approving the Fifth Supplemental Junior Indebtedness Resolution Authorizing General Revenue Junior Indebtedness Obligations, Series 2016A, Approving the Forms of Certain Related Documents and Authorizing an Authorized Officer to Execute Any Other Necessary Documents Related Thereto

The fifth Supplemental Junior Indebtedness Resolution was advanced to the Board at the recommendation of the Finance Committee.

Upon motion duly made and seconded, the Board approved and adopted the following resolution:

RESOLUTION NO. 6080
APPROVING THE FIFTH SUPPLEMENTAL JUNIOR INDEBTEDNESS RESOLUTION AUTHORIZING GENERAL REVENUE JUNIOR INDEBTEDNESS OBLIGATIONS, SERIES 2016A, APPROVING THE FORMS OF CERTAIN RELATED DOCUMENTS AND AUTHORIZING AN AUTHORIZED OFFICER TO EXECUTE ANY OTHER NECESSARY DOCUMENTS RELATED THERETO

RESOLVED, in accordance with the New York State Thruway Act, Title 9 of Article 2 of the New York State Public Authorities Law, as amended (the “Act”), the Authority is authorized to issue its bonds (including its Junior Indebtedness Obligations (“JIOs”)) and notes, in such principal amount, in the opinion of the Authority, as shall be necessary to provide sufficient moneys for achieving its corporate purposes, and be it further

RESOLVED, that the Act authorizes the Authority to adopt bond resolutions establishing the contract with its bond holders, and be it further

RESOLVED, that there has been approved by the Board on

November 7, 2013 a resolution entitled Resolution Authorizing General Revenue Junior Indebtedness Obligations (the “Junior Indebtedness Resolution”) which, Junior Indebtedness Resolution was amended on August 6, 2014, and which consistent with the Act and the Authority’s General Revenue Bond Resolution, authorizes JIOs, as special obligations of the Authority in accordance with the terms thereof to finance all or a portion of the costs of various corporate purposes of the Authority, and be it further

RESOLVED, that the Junior Indebtedness Resolution requires that the issuance of JIOs by the Authority shall be authorized by a supplemental resolution or resolutions of the Authority adopted at or prior to the time of issuance. In order to issue the third series of JIOs, there has been prepared and submitted to the Board for approval a form of a Fifth Supplemental Junior Indebtedness Resolution Authorizing the Issuance of Junior Indebtedness Obligations, Series 2016A (the “Series 2016A JIO Supplemental Resolution”) authorizing the issuance of up to \$1.1 billion of Junior Indebtedness Obligations, Series 2016A (“Series 2016A JIOs”), and be it further

RESOLVED, that the Series 2016A JIOs, are special obligations of the Authority secured by (i) a pledge of and a junior lien on the Revenues of the Authority, (ii) a pledge and first lien on moneys on deposit in the Junior Indebtedness Fund (other than the Junior Indebtedness Fund Debt Service Reserve Account (except as set forth in clause (iii)) and the Junior Indebtedness Rebate Account), and (iii) a pledge and first lien on monies on

deposit in the Series 2016A Subaccount of the Junior Indebtedness Fund Debt Service Reserve Account which is being established and funded to solely secure the Series 2016A JIOs, and be it further

RESOLVED, that the Series 2016A JIO Supplemental Resolution authorizes the issuance of Series 2016A JIOs (i) to pay Project Costs solely of the NNYB Project; (ii) to pay capitalized interest on the Series 2016A JIOs; (iii) to make a deposit to the Series 2016A Subaccount of the Junior Indebtedness Debt Service Reserve Account; and (iv) to pay Costs of Issuance relating to the Series 2016A JIOs, and be it further

RESOLVED, that pursuant to the Junior Indebtedness Resolution and the Series 2016A JIO Supplemental Resolution, the Authority intends to authorize the issuance of up to \$1.1 billion of Series 2016A JIOs, and be it further

RESOLVED, that pursuant to the Series 2016A JIO Supplemental Resolution and in accordance with the Junior Indebtedness Resolution, the Authority intends to issue and sell its Series 2016A JIOs to the Underwriters pursuant to a Purchase Agreement, the form of which Purchase Agreement has been set before the Board, and be it further

RESOLVED, that the Board approves the form of the Series 2016A JIO Supplemental Resolution as submitted with this item and made a part of this resolution as though set forth in full herein, and authorizes an Authorized Officer (as defined in the Junior Indebtedness Resolution) to approve and

execute such changes to the Series 2016A JIO Supplemental Resolution as may be deemed necessary or desirable to effectuate the purposes thereof, and be it further

RESOLVED, that the Board approves the Purchase Agreement in substantially the form submitted with this item and made a part of this resolution as though set forth in full herein, in the manner set forth in Section 301 of the Series 2016A JIO Supplemental Resolution and authorizes an Authorized Officer to execute and deliver such Purchase Agreement and to approve and execute such changes to such Purchase Agreement as may be deemed necessary or desirable to effectuate the purposes thereof, and be it further

RESOLVED, that in connection with the public offering and sale of the Series 2016A JIOs, the Board approves the form of the Preliminary Official Statement as submitted with this item, recognizing that such form will be subject to further changes and updating, and authorizes an Authorized Officer to approve such changes, updates, insertions and omission as may be deemed necessary or desirable to effectuate the purposes thereof, and be it further

RESOLVED, that the Board authorizes the distribution and use of a Preliminary Official Statement relating to the public offering and sale of the Series 2016A JIOs, with such changes, updates, insertions and omissions to the Preliminary Official Statement as may be approved by an Authorized

Officer, said distribution and use being conclusive evidence of such approval, and any amendments or supplements thereto which may be necessary or desirable, and be it further

RESOLVED, that the Board authorizes an Authorized Officer to confirm that the Preliminary Official Statement related to the Series 2016A JIOs is deemed final for purposes of Rule 15c2-12, promulgated under the Securities and Exchange Act of 1934 (“Rule 15c2-12”), except for certain permitted omissions 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, a final Official Statement relating to the Series 2016A JIOs in substantially the form of the Preliminary Official Statement, with such changes, updates, insertions and omissions as may be approved by an Authorized Officer, said execution or delivery being conclusive evidence of such approval, and any amendments or supplements thereto which may be necessary or desirable. After execution, if appropriate, an Authorized Officer is hereby authorized to deliver to the Underwriters of the Series 2016A JIOs one or more executed copies of such final Official Statement and any further amendments or supplements thereto, and be it further

RESOLVED, that the Board authorizes an Authorized Officer 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 Series 2016A JIO Supplemental Resolution any additional certificates, agreements or other documents necessary to facilitate the sale of the Series 2016A JIOs and to do and cause to be done any and all acts and things necessary or desirable for carrying out the transactions contemplated by the Series 2016A JIO Supplemental Resolution, and be it further

RESOLVED, that the Board appoints The Bank of New York Mellon, New York, New York as Trustee and Paying Agent for the Series 2016A JIOs, and be it further

RESOLVED, that an Authorized Officer is authorized to (i) make any determinations or selections and/or appointments of any necessary or convenient consultants or agents, (ii) execute any additional certificates, agreements or other documents necessary to facilitate the authorization, sale, issuance and delivery of the Series 2016A JIOs, (iii) accomplish the other purposes of this Resolution, including but not limited to agreements with securities depositories and documents relating to credit enhancement, and (iv) do and cause to be done any and all acts and things necessary or desirable to carry out the transactions contemplated by this Resolution, and be it further

RESOLVED, that the Board of Directors shall review and approve any revised 2016 Budget in a form that shall take into account and incorporated: i) any State Capital Assistance provided in a 2016-2017 enacted budget for the State of New York; and ii) the identification of the use

of proceeds authorized by this item and updated debt service costs and debt service coverage ratios presented

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

Item 6 by Chair Mahoney (Appendix F)
Appointing Kathleen LeFave as Secretary of the Authority/Corporation

The appointment of Kathy LeFave as Secretary was advanced to the Board at the recommendation of the Governance Committee.

Upon motion duly made and seconded, the Board approved the appointment and adopted the following resolution:

RESOLUTION NO. 6081
APPOINTING KATHLEEN LEFAVE TO THE OFFICE OF
SECRETARY OF THE AUTHORITY/CORPORATION

RESOLVED, that the Board hereby names and appoints Kathleen LeFave to serve as the Secretary of the Authority/Corporation, and be it further

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

Item 7 by Chair Mahoney (Appendix G)
Reappointing Matthew Howard as Treasurer of the Authority/Corporation

The reappointment of Matt Howard as Treasurer was advanced at the recommendation of the Governance Committee.

Upon motion duly made and seconded, without any objections, the Board approved the appointment and adopted the following resolution:

RESOLUTION NO. 6082

REAPPOINTING MATTHEW HOWARD AS TREASURER OF THE AUTHORITY/CORPORATION

RESOLVED, that the Board hereby names and reappoints Matthew Howard to serve as the Treasurer of the Authority/Corporation, and be it further

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

Item 8 by Ms. Lehman (Appendix H)
Report on Procurement Contracts and Other Agreements Up to \$150,000 Executed by the Executive Director during the Period October 1, 2015 through December 31, 2015

Chair Mahoney invited Kevin Allen to present the report of procurement contracts for the fourth quarter of 2015.

Details of the presentation and discussion with Board Members are included in the video recording of the meeting.

Upon motion duly made and seconded, without any objections, the Board accepted the Report on Procurement Contracts and other Agreements up to \$150,000 Executed by the Executive Director during the Period September 1, 2015 through December 31, 2015.

Item 9 by Mr. Christensen (Appendix I)
All Electronic Toll Collection Presentation

Mr. Christensen presented the Board the Thruway Authority's plan to introduce all cashless tolling on the New NY Bridge project.

Details of the presentation and discussion with Board Members are included in the video recording of the meeting.

Item 10 by Mr. Cuffy (Appendix J)
Authorizing the Executive Director to execute an amendment to the Bond, Schoeneck & King, PLLC agreement and to increase the Maximum Amount Payable

Mr. Cuffy presented the resolution seeking board approval to execute an amendment to the Bond, Schoeneck & King, PLLC legal services contract.

Details of the presentation and discussion with Board Members are included in the video recording of the meeting.

Upon motion duly made and seconded, without any objections, the Board authorized the Executive Director to amend the legal services contract and adopted the following resolution:

RESOLUTION NO. 6083
**AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN
AMENDMENT TO THE BOND SCHOENECK & KING PLLC
AGREEMENT (C010147) TO INCREASE THE MAXIMUM AMOUNT
PAYABLE**

RESOLVED, that the Interim Executive Director be, and she hereby is, authorized to execute an amendment to the agreement with BSK (C010147) for ongoing outside legal services to increase the maximum amount payable under such agreement by \$600,000 to a new monetary cap of \$1,250,000, and be it further

RESOLVED, that funding for the requested increase will be charged to the Authority's Operating Budget.

RESOLVED, that the Interim Executive Director or her designee shall have the authority to exercise all powers reserved to the Authority under the provisions of the BSK Agreement, manage and administer the BSK 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 interest of the Authority, and be it further

RESOLVED, that this resolution be incorporated in the minutes of

this meeting.

Item 11 by Ms. Sheridan (Appendix K)
Authorizing the Execution of Six Engineering Agreements (D214433, D214440, D214441, D214461, D214474 and D214475) with Six Firms

Ms. Sheridan presented the resolution seeking board authorization to execute engineering agreements with six firms.

Details of the presentation and discussion with Board Members are included in the video recording of the meeting.

Upon motion duly made and seconded, without any objections, the Board authorized the Chief Engineer to execute the agreements and adopted the following resolution:

RESOLUTION NO. 6084
AUTHORIZING THE EXECUTION OF SIX ENGINEERING AGREEMENTS (D214433, D214440, D214441, D214461, D214474 and D214475) WITH SIX FIRMS

RESOLVED, that the Chief Engineer be, and she hereby is, authorized to execute six agreements (D214433, D214440, D214441, D214461, D214474 and D214475) with the six firms listed in Exhibit A, attached hereto, provided that sufficient funding has been identified to complete services for the projects through these agreements, with the Maximum Amount Payable of each agreement not to exceed the amount shown in the attached Exhibit A, and such agreements shall be on such other terms and conditions as the Chief Engineer, in consultation with the General Counsel, determines to be in the best interests of the Authority and Corporation, and be it further

RESOLVED, that the Chief Engineer or her designees shall have the authority to exercise all powers reserved to the Authority and Corporation

under the provisions of the agreements, manage and administer the agreements, amend the provisions of the agreements consistent with the terms of this Item and in accordance with the 2016 Thruway and Canal Contracts Programs Resolutions and other Board authorizations, and suspend or terminate the agreements in the best interests of the Authority and Corporation, and be it further

RESOLVED, that information relating to each agreement be included in the Chief Engineer's Quarterly Report to the Board on Contracts Program activities which will include the date of execution of each agreement, and be it further

RESOLVED, that these resolutions be incorporated in the minutes of this meeting.

Item 12 by Mr. Hixson (Appendix L)
Authorizing Approval to Waive Competitive Bid Process for the Purchase of Two Trailer Mounted Large Capacity Asphalt Recyclers

Mr. Hixson presented the next item seeking Board approval to waive the competitive bid process for the purchase of two trailer mounted asphalt recyclers.

Details of the presentation and discussion with Board Members are included in the video recording of the meeting.

Upon motion duly made and seconded, without any objections, the Board approved the waiver and adopted the following resolution:

RESOLUTION NO. 6085
AUTHORIZING APPROVAL TO WAIVE COMPETITIVE BID PROCESS FOR THE PURCHASE OF TWO TRAILER MOUNTED LARGE CAPACITY ASPHALT RECYCLERS

RESOLVED, that the Interim Executive Director be, and hereby is authorized to waive the competitive bid process and facilitate the purchase of two trailer mounted large capacity asphalt recyclers; and be it further

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

Item 13 by Mr. Howard (Appendix M)

Authorizing the Fifth Amendment of an Agreement with Executive Associates North IV, LLC for the Continued Lease of 2,647 square feet of Additional Office Space at Empire Executive Office Park in the Village of Suffern, County of Rockland, State of New York

Mr. Howard presented the next item seeking Board approval to enter into a 5th lease agreement with Executive Associates North IV, LLC for office space.

Details of the presentation and discussion with Board Members are included in the video recording of the meeting.

Upon motion duly made and seconded, without any objections, the Board approved the lease agreement and adopted the following resolution:

RESOLUTION NO. 6086

AUTHORIZING THE FIFTH AMENDMENT OF AN AGREEMENT WITH EXECUTIVE ASSOCIATES NORTH IV, LLC FOR THE CONTINUED LEASE OF ADDITIONAL OFFICE SPACE AT EMPIRE EXECUTIVE OFFICE PARK IN THE VILLAGE OF SUFFERN, COUNTY OF ROCKLAND, STATE OF NEW YORK

RESOLVED, that the Authority be, and the same hereby is, authorized to enter into another agreement (hereinafter, "Fifth Amendment") amending the lease (contract no. 55090/L100364) between the Authority and Executive Associates North IV, LLC , for the purposes and under the provisions described in this agenda item, and be it further

RESOLVED, that the Interim Executive Director, or her designee be,

and the same hereby is, authorized to execute the Fifth Amendment, along with all other documents necessary to effectuate such execution in accordance with the terms authorized during this meeting, and be it further

RESOLVED, that the Interim Executive Director, or her designee, shall, relative to the lease as amended by the Fifth Amendment, have the authority to: (1) exercise all powers reserved to the Authority under the provisions of the lease as amended, including, but not limited to, exercising any termination rights the Authority has, (2) manage and administer the lease, as amended, and (3) alter the provisions of the lease, as amended, consistent with terms of this agenda item and other applicable Board authorizations, and be it further

RESOLVED, the Interim Executive Director, 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.

GENERAL PUBLIC COMMENT PERIOD

There were no comments made during the period.

ADJOURNMENT

There being no other business, upon motion duly made and seconded, the board voted to adjourn the till its next meeting scheduled for March 21, 2016.

Jerry B. Yomoah
Board Administrator

Note: Webcasts, which include dialogue of Authority/Corporation Board Meetings, are available on the Thruway Authority website 48 hours after such meetings occur and remain on the website for a period of four months.