

Joanne Mahoney: Alright, Good morning and welcome to the March 30, 2020, meeting of the Thruway Authority Board of Directors. This is Joanne Mahoney, Chair, and I have, I believe, on the phone, and I'll call attendance just to confirm that, board member Heather Briccetti.

Heather Briccetti: Here.

Joanne Mahoney: Don Rice?

Don Rice: Here.

Joanne Mahoney: Dr. Veras?

Dr. Veras: Here.

Joanne Mahoney: George Miranda?

George Miranda: Here.

Joanne Mahoney: And Bob Megna.

Robert Megna: Here.

Joanne Mahoney: Alright, thank you all very much. I know we have Director Matt Driscoll on, and we also have several members of the Thruway Authority staff, and today, we are going to start with the Finance Committee. Bob Megna is Chair of that committee, and also serving on the committee is Don Rice and Dr. Veras, and I serve ex officio as c\Chair. So Bob, you want to start us off?

Robert Megna: Yeah, the first item on the agenda is the approval of the minutes of the Finance Committee Meeting Number 56, and any questions? If not, may I have a motion to advance this item?

Male: So moved.

Robert Megna: Do I have a second?

Joanne Mahoney: I'll second it, it's Joanne.

Robert Megna: All in favor? Aye.

All: Aye.

Robert Megna: Any opposed? The motion is approved. The next item is item number two, which is authorizing short-term financing and the execution of documents relating to such for purposes of mitigating the effects of Covid-19, and Matt, would you present this item?

Matt Howard: Sure, thank you. So this item would authorize the Thruway Executive Director to solicit procuring upon written notice to the Board a secure short-term financing, including bank loans, letters of credit, revolving lines of credit, bond or revenue anticipation notes, and direct placements of bonds or a combination thereof to secure any short-term financing as maybe required. As I am sure you are aware, the impacts of this crisis on the Authority's financial conditions are significant, and with uncertainty, may continue to deteriorate further. There remains a high risk that continued reductions in traffic, including changes in commuter behavior will continue after the crisis has abated, based on the telecommunicating practices that we are currently experiencing as a nation during this crisis. With all of that, the Thruway needs this authorization to work; first to ensure that the short-term and immediate-term resource needs of the Authority are met and also to support our effort at getting considerations of longer-term or permanent adjustments to our revenue and expenditure assumptions. That in short is the reason we bring this item today. Specifically,

Robert Megna: Matt? Do we have a sense of how much traffic is down?

Matt Howard: We do have a preliminary sense of what we have experienced over the last three-week period. When we look at that in the aggregate from I would say about the period of March 8th through last Saturday, which was the conclusion of the tally of the third-week period, we saw overall traffic declines during that period in the 33 percent range. I'd say that we saw a more significant impact on the passenger and commuter sectors of our traffic. They, over that period, reduced in the 36 percent range, whereas commercial traffic over the last three weeks was down by about six percent. So that is a three-week look. I'd say that it is important to note that if you think about the progression of the response that we have had that each week has seen more significant impacts than the last. So even as significant as a 36 percent decline is, I think it is important for the Board to understand that recently the traffic reductions that we have seen have exceeded those three-week overall impacts.

Robert Megna: Thank you, Matt.

Matt Howard: So with that, and with the challenges that we face, this item would authorize the securing of any necessary short-term financing, and in relation to that, any of the financing that would be pursued using this authorization, includes the following requirements. First, it may be in one or more series of draws, but the total amount cannot exceed 350 million in the aggregate. It needs to not, it can't exceed prevailing market interest rates, no financing would exceed a term

of three years, all financing would need to comply with applicable laws and Authority bond resolutions, and the financing may be procured on a competitive or negotiated basis, and the item would allow that the financing may be purchased by a federal reserve bank or other entity that could be authorized to do so under any existing or emergency regulations or legislations, as the case may be. So again, this item would provide authorization to execute any documents pertaining to financing, as well as any additional forms, certificates, or other documents that would be deemed to be necessary. So, this item really provides the authority for us to act now well supporting a flexible approach that will allow us to react to the changes or opportunities that seemed to be arising on a regular basis, and most importantly, it ensures that we have all the tools in the toolbox to react as situations change. And with that, I would be willing to answer any additional questions that the Board may have.

Robert Megna: Any questions for Matt? If not, may I have a motion to advance this item?

Male: So moved.

Robert Megna: Do I have a second?

Male: Second.

Robert Megna: All in favor? Aye.

All: Aye.

Robert Megna: Any opposed? The motion is approved. Item three is a review and approval of the December 2019 Financial Report. Matt, can you give us a brief update?

Matt Howard: Sure, thank you. This item is the concluding monthly report for the 2019 year, so in that regard, it is a report of what our actual results were from a financial perspective in 2019. For traffic as a whole in 2019, we were relatively slack compared to the prior year, with growth of roughly 0.2 percent above 2018. Growth in commercial traffic was about 0.5 percent, while the passenger traffic growth was 0.2 percent. This corresponds to total revenue receipts of 739.8 million, which is growth of 0.4 percent or 3.4 million above 2018. Commercial tolls grew by 1.1 percent and passenger tolls were consistent, growing basically 0.2 percent above 2018. On the revenue basis in total, we collected 814 million, which is 1.9 percent or 14.8 million above the prior year. Again, that included the 739 million in toll revenues, 19 million in E-ZPass fees, 14.2 million in interest on investments, 14.8 in concession revenues, and 25 million in various sundry and special hauling permits. To put that in context, we ended up by about 1.1 percent or 9 million above what we had planned in our budget for revenue

projections, and then for the operating expense side of the equation in 2019, Thruway operating expenses, including all approved OPEB and other expenses, totaled 393 million, which is basically flat from 2018, it is \$148,000.00 or 0.4 percent above the 2018 levels. In addition to that, the Thruway reimbursed the State of New York for 66 million that was associated with Troop T costs for patrolling the roadway. This was about five million above the 2018 levels. And just to sort of summarize to put these things in context, our Thruway operating expenses were 2.1 percent or 7 million dollars below what we had budgeted for, and the State Police was basically in line; it was 300,000 above what our estimates were. So in the aggregate, our revenues were up about 1.1 percent above what we had planned, and our spending figures were about 1.5 percent below the budget target. And with that, I would be willing to answer any additional questions.

Robert Megna: Thank you, Matt. Any questions for Matt? If not, may I have a motion to advance this item?

Male: So moved.

Robert Megna: Do I have a second?

Male: Second.

Robert Megna: All in favor? Aye.

All: Aye.

Robert Megna: Any opposed? The motion is approved. Matt, you are going to be busy. Number four, review and approval of the Authority to Annual Investment Report. Can you give us an update?

Matt Howard: Sure, thank you. So this item is presented to you in conformance with public authorities law, which requires us to prepare, approve, and have submitted to the Authority Budget Office our annual investment report by April 1st. The report includes the Authority's investment policy, our independent auditor's report on investment compliance, and investment income information. The investment policy that is attached to the item basically has no changes to the existing policy, and as noted in the independent auditor's report, our investment program is in compliance in all material respects with the various requirements that we are obligated to operate under, and there was no identification of any deficiencies on the internal controls that they reviewed on this front. So in 2019, we had 4.8 billion in investments. An overwhelming majority, 4.1 billion of which were investments made from Thruway bond funds, and roughly 715 million in State bond funds for programs that the Thruway administers on behalf of the State of New York. Our annual interest earnings from these activities were 12.9

million from an average yield of 1.7 percent and an average maturity of 56 days. That, in a nutshell, is the summary of the components of this item, and I would be willing to answer any questions.

Robert Megna: Any questions for Matt? If not, may I have a motion to advance this item?

Male: So moved.

Robert Megna: Do I have a second?

Male: Second.

Robert Megna: All those in favor? Aye.

All: Aye.

Robert Megna: Any opposed? The motion is approved. Can you guys hold on for one second?

Joanne Mahoney: Yes.

Robert Megna: Because, okay, so I think we are up to item five, the annual report of the 2019 procurement contract, and again Matt, anything you want to say about this?

Matt Howard: Thanks. This last item on the Finance Committee's agenda is another requirement for Public Authority Law that we submit the Authority's Budget Office by April 1st. It requires us to prepare approvals that are met for this report each year. It includes schedules of all personal service and purchasing contracts, as well as a summary of all bond sales and a copy of our procurement policy. Just to summarize the procurement activity in 2019, the Authority paid 52.9 million under personal service and lease agreements for value contracts, 57.5 million under commodities and service agreements or low-bid contracts, and 51.6 million under engineering and architectural consultant contracts. I think as a whole, these payments add up to roughly 162 million, which is five million or three percent below what we had spent on procurement contracts in the prior year. And finally, we are seeking your approval on procurement policies that offer no changes to the existing policy at this time. And with that, I would be willing to answer any questions.

Robert Megna: Any discussion for Matt? If not, may I have a motion to advance this item?

Male: So moved.

Robert Megna: Do I have a second?

Male: Second.

Robert Megna: All in favor? Aye.

All: Aye.

Robert Megna: Any opposed? The motion is approved. I know Matt said that was the last item, but I have another item. Is that one we don't need to do?

Matt Howard: Yes.

Robert Megna: This is number six, authorizing the Authority to enter into an agreement with Empire State Thruway Partners to the design

Matt Howard: No, you don't need to do that one, Bob.

Robert Megna: In that case, I will move to directly adjournment. May I have a motion to adjourn today's Finance Committee?

Male: So moved.

Robert Megna: Do I have a second?

Male: Second.

Robert Megna: All in favor? Aye.

All: Aye.

Robert Megna: The meeting is adjourned.

Joanne Mahoney: And I serve as ex officio. I just have a quick question for Tanya. Are you able from a note-taking standpoint to determine the voices, or would it help you if we said who was making motions and who was seconding?

Tanya: No, that's fine. We will be able to know who it is. We are fine.

Joanne Mahoney: Okay, thank you. So Don, please start the Audit Committee.

Don Rice: Sure, thank you, Madam Chair. Let me start with the approval of the Audit Committee meeting last week, or last time, approval of the minutes. May I have a motion to advance to discuss the minutes?

Male: Motion.

Don Rice: Do I have a second?

Female: It's Joanne, I'll second.

Don Rice: Thank you. Any discussion on the minutes? Okay, no discussion. All in favor of approving the minutes from meeting number 51?

All: Aye.

Don Rice: Aye. The motion is approved. The next item is Matt Howard introducing Brendan Kennedy for the report of BS&T and Co, CPA LLC on the audit of our financial statement and on the compliance with investment guidelines. So, Matt, you want to go ahead?

Matt Howard: Sure, thank you, Mr. Rice, and this is an item that I always appreciate because after having heard me talk on some of the other items, really all that is required of me for this item is to request the committee's approval for the 2019 annual independent audit and single audit report and then turn over the floor to our auditor from BS&T, Brendan Kennedy, so that he can walk through their findings to the committee.

Brendan Kennedy: Good morning, can everyone hear me okay? Can everyone hear me okay?

All: Yes, we can hear you.

Brendan Kennedy: Okay, folks, I am going to try and keep this concise for you. In the midst of all the challenges we are facing right now as a state and a country and a world, there is some positive news, and that is the results of our audit for the period ending December 31, 2019. Since we are calling in remotely here, I thought the best thing to do would be to simply walk through an audit presentation that I prepared and was distributed to you folks. If you have your packet materials in front of you, it is page; it starts on page nine of 92 of the pdf. I will give you all a chance to get to that. This is the document that I will walk through. My goal here is to walk through the audit results, as the folks have already given a presentation on your financial performance for the 2019 period, so again, my discussion is going to focus on the actual audit. So if you scroll past the table or past the cover, you get to our table of contents, and then these are the different areas that I will speak about. Obviously, we will do an executive summary, briefly talk about the financial statement. We also did a federal single audit. That's an audit on controls and compliance over your federal grant that you have received. We will talk briefly about investment compliance, go through

some required communications, and just a couple of accounting standard on the horizon to review. At that point, we will leave it open for any questions or comments you folks may have, but I will also encourage you to ask any questions as we are going through the materials. If that sounds good to you, I shall continue. So past the table of contents is an executive summary. We finished our work substantially on March 4th, 2020. That gave us ample time to prepare the materials and give them to you folks for review. The deliverable included the basic financial statements in our independent auditor's report that they are on. We also issued a report on controls and compliance over those financial statements. The secondary deliverables would be our federal audit. That is a report on compliance for each major federal program, a report on the internal control over compliance. And finally, we have the report on compliance with your investment guidelines, section 201.3, and lastly is our communications with those charts of governance, and we are largely making those communications with you today, as part of this presentation; although, there is a separate deliverable letter reaffirming those communications we are making today. To cap that with the executive summary continued; what I have done here on page four of our presentation, is just simply line up the reports and line up the opinions. And what you can see here on this page in regards to the auditor's report on the financial statements; we have an unmodified opinion. An unmodified opinion is the highest level of assurance that your auditors can give you that those financial statements are free of material error. An unmodified opinion, also known as a clean opinion, is the opinion that you would be seeking on your basic financial statements, so that is a positive. Our gap report did not reveal any control or compliance matters, as it relates to the financial statements. Next, as it relates to our federal single audit, we concluded as a result of the procedures performed that the Authority materially complies with the federal requirements, and there were no internal control matters that we identified in relation to your compliance with major federal programs. We issued in relation to opinion on the schedule of expenditures of federal awards, and we determined that to be reasonable. And the last item here is the report on investment compliance, and again, as I alluded to earlier, we had concluded that the Authority's material complied with Section 201.3. So again, all positive news, as it relates to the audit results. Moving on, just a quick overview of the financial statements. Obviously, we will not do a walkthrough of the statements in detail here; just to highlight the different sections of the financial statements. On pages one and two of the independent auditor's report, that's the only component of this document that the BF&D owns. That's where you will find management's responsibilities, the auditor's responsibilities, and our unmodified opinion on those financial statements. I often jokingly refer to the management discussion and analysis as the clip notes. It provides highly summarized financial information and information about performance to the year, as well as the economic outlook going forward. That can be found on pages three through thirteen. Pages fourteen through seventeen are the actual numbers to the financial statement. That's where you will find your balance sheet and income

statement and cash flow statements. And just a quick update on the last two; one includes a typo there, and two, the financial statements were updated subsequent to this presentation. The notes for the financial statement can be found on pages 18 through 49, and the required supplementary information on pages 50 through 52. The notes provide the details on the financial amounts reported on pages 14 through 17. They give a narrative description of how things are accounted for and more detail on what those balances are. And pages 50 to 52 include the required supplementary information. It largely relates to pension and OPEB-related schedules, and those have, again, been prepared in accordance with governmental accounting standards. We did adopt a few accounting standards here. None had a material impact, but we are presenting them here just as an FYI. The first relates to accounting for certain acts of retirement obligations, and what the Authority had concluded as a result of decommissioning some waste water treatment plants in the future that we have them ask that retirement obligation until a liability, a long-term liability of 4.5 million dollars was recorded, and that resulted in a restatement of opening that position. That is not a restatement due to an error; it is simply a statement due to the adoption of an accounting standard. We also reviewed GASB 88, which related to death disclosures, included direct borrowing from direct placements. For the period ending 12/31/19, we largely concluded that this did not have any applicability. Perhaps going forward, as I heard the folks talk about from lines of credit and other items, there may be some disclosures to consider prospectively, but as of now, for 12/31/19, there was nothing to report as a result of GASB 88. And finally GASB 89 dealt with accounting for interest costs. The Authority early implemented that accounting standard and now recognizes all interest costs as an expense during the construction period rather than capitalizing that into our assets. Okay? Moving on to page six, some of these items should seem very familiar, so I won't spend a lot of time. These are the significant transactions, significant audit areas that we focus on, and the results below kind of speak for themselves. We concluded that processes and controls appear to function properly. Transactions were adequately supported. Management judgments, including accounting estimates, were reasonable. We did not identify any management related bias when it comes to an accounting estimate. The Thruway staff was courteous and helpful, as well. Anything we asked for was returned to us in a prompt manner. All information was provided on a timely basis, and that really allowed us to do our audit in an efficient and effective manner, so we are appreciate of that. Moving along, page seven, the federal single audit; so you can see here, we have some common programs that we have had in the past; highway planning and construction, and then our disaster grants, our public assistance, and then there is something that sticks out rather significantly here on page seven, and that was the TIFIA loan. We did get 1.6 billion dollars, and although we got that and subsequently refinanced it, it did trigger it as a program to be included in our schedule of expenditures for federal awards. Since the Authority is considered a low-risk auditee, we did factor that in, and we also have to consider, and this is more common in the university

setting with federal single audits, there is guidance when you have large loan programs, which would be considered TIFIA to be, and essentially TIFIA is backed out in the calculation of large, when determining your type A program, and therefore, we had to evaluate the other programs, as well, but since we audited both, the highway planning and construction and disaster grants in the prior period, and those were considered low risk, we just focused our audit program on the TIFIA loan. So the TIFIA was our major program, subject to audit in the period ending December 31, 2019. On page eight, this is a snip from the audit program, and this essentially, what I am trying to do here is highlight the different areas where we had to focus. Federal single audits are a little more prescriptive than financial audits. We follow compliance supplements and prescribe water procedures. And what I did here was audit the different federal audit requirements in yellow that were applicable, this is pulled again right from the supplement; however, I did want to highlight that the requirements on reporting the subrecipient monitoring. All those are highlighted in yellow here. I have circled them because I wanted to point out the fact that they did not have any applicability as it related to the Thruway Authority. So all the other procedures that we did execute, we concluded that the reporting of subrecipient monitoring were not applicable, and that is simply because we did not provide any money for subrecipients of the TIFIA program, and there were no specific reporting requirements that we had to focus, so as I alluded to you before, we did issue an unmodified opinion as it related to the federal single audit program, and the program that we audited was TIFIA for the period ending December 31, 2019. Moving on to page nine, this just outlays the different standards and the sections that we audited. We developed an audit program that's consistent with section 201.3. It lists all of the requirements as they correlate for law in the sections. So we executed those procedures for the period ending December 31, 2019. We reviewed all the underlying documentation, including investment activity, and we concluded that the Authority material complies with section 201.3 and therefore, we issued an unmodified opinion as it relates to that examination, as well. Moving on to the required communications, again, there is a separate letter that outlines all of these, as well, but since we are all together, I thought I would briefly walk through them. Accounting policies and practices disclosed in note one, financial statements; no significant policy changes. I do note that we adopted from accounting standard 838889. Those did not really have material impact on the Authority for the period ending December 31, 2019. We didn't come across any unusual transactions. There were no disagreements we had with management and no difficulties encountered during the audit. Audit adjustments; we did not have any audit adjustments for material uncorrected audit differences. That's something you folks should be very proud of; the fact that you can hand off the trial balance, we can audit that data, and as a result, there are no audit adjustments to material, uncorrected audit differences. That should give you some confidence that the information you are getting when it is not audited is likely accurate, based on management's ability to go through a robust external audit without any issues. We are not aware of any consultations

with other accountants. Really the significant transactions that we focused on beyond the normal would be the debt issuances and refunding. Obviously it was a busy year on that front, so we spent a fair amount of time going through those documents to make sure that the accounting treatment was properly reflected in the statements. The issues discussed with management; this I think is a repeat item. This is a matter we evaluated part of our claims in reporting, and I don't believe there is any significant changes from the prior period. Moving on, our significant accounting estimate, as I alluded to before, accounting estimates are obviously a little more tricky to audit. We have to audit the inputs. We have to audit the management assumption, the assumptions used to develop these accounting estimates, and we concluded those inputs appeared reasonable. The assumptions appeared reasonable, and that the amounts were properly recorded and disclosed in the financial statements. As it relates to significant written communication, the only significant item would be the management representation letter, and that would be the letter that we request from management that basically certifies that they provided us with everything we requested, and they are not aware of any other matters that would be relative to the audit. Last page, just to give you guys a heads up, on page twelve, there are some accounting standards out there, namely GASB 87, which deals with leases, and this kind of blows up the traditional accounting for operating the capital leases. Essentially, all operating leases would now be recognized in a manner similar to capital leases. This was something that Dave Malone and I have been talking about in the background, and we will be working on in the background during 2020, along with these other accounting standards. However, we just learned the other day that it is very possible that GASB may be delaying the effective dates of these accounting standards. GASB 87 that deals with leases is a pretty tough accounting standard, and obviously right now, folks are impacted by the virus, and they may not be able to devote substantial attention to these items and therefore, we hope to hear in the next month or so whether GASB will be delaying the implementation dates. So in the meantime, we are going to be considering these accounting standards, in particular GASB 87, but we are also hopeful for an extra year reprieve, so that we can focus on getting caught up when we are all back in the office and can properly implement this accounting standard in the future. So stay tuned with that, but GASB 87 with leases will likely, whether we implement it for 2020 or whether we implement it for 2021, will likely have an impact on our financial statement, and we will be sure to keep the board apprised of that, as we go through the implementation phase. With that said, those are my prepared remarks. I am certainly open to answering any questions or comments you may have about the audit, and certainly my contact information is included in this presentation, and if you have questions or comments and you think of them tomorrow or the next day or the month after, BS&T is available year round to help the Thruway Authority and any questions the board may have, so feel free to reach out to me when it is convenient for you. With that there, I will pass it back to Matt.

Matt Howard: I think that concludes the presentation relative to that 2019 audit of our financials. I don't know if there are any additional questions the Board has.

Don Rice: Let me have a motion to discuss this item please.

Male: Motion.

Don Rice: Again can I have a second?

Male: Second.

Don Rice: Thank you. Any discussion? Any questions? Okay, no discussion, no questions. All in favor?

All: Aye.

Don Rice: The motion is approved, well, any opposed? No, good. The motion is approved. Do we have any other business for the Audit Committee? There being no further business, may I have a motion to adjourn today the meeting of the Audit Committee?

Male: Motion.

Joanne Mahoney: Second.

Robert Megna: Alright, all in favor?

All: Aye.

Don Rice: The Audit Committee meeting is adjourned.

Joanne Mahoney: Thank you very much, Don. I am just going to take this opportunity to remind people to see if their phones are on mute when they are not talking because we can hear papers shuffling, and we will move on now to the full board meeting. I'd like to call to order the Board Meeting of the New York State Thruway Authority. This scheduled meeting has been dually noticed, as required by the Open Meetings Law. May I have a motion to enter the Board Meeting?

Male: So moved.

Joanne Mahoney: Second?

Male: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: We are now in the full meeting of the Board, and our first order of business is the public comment period for speakers to address items on today's agenda. Due to Covid 19 and Executive order 202.1, we are able to have our Board Meeting by audio. Individuals who wish to address items on today's agenda would have had to submit their written comments by email prior to this Board Meeting to the Board Administrator. Tanya, has anyone sent in written comments regarding today's agenda?

Tanya: No, they haven't.

Joanne Mahoney: Alright, then that concludes the public comment period on today's agenda. The next order of business is the approval of the consent agenda. May I have a motion to approve consent items one through six, please?

Male: So moved.

Joanne Mahoney: And a second?

Male: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: Is there any opposition? Hearing none, the six items are approved, and we will move on now to the action agenda. And before we get started, Executive Director Driscoll is going to give us a report on Thruway activities, I think specifically relative to Covid-19. Is that right, Matt?

Matt Driscoll: Yeah, that's correct, and thank you for that. Good morning, everyone. As the Chair mentioned, I would like to give you just a brief update as we continue our responsibilities with Covid-19, which is certainly at the forefront. So our highest priorities remain the safety of the men and women who work for the Thruway Authority, and our mission remains keeping our system open and safe while focusing on social distancing for the protection of all. So you know, we have implemented the Governor's executive order for essential staff and nonessential staff, and we are maximizing work tasks, both in the office and at home seamlessly. On the operations and maintenance front, we have implemented a number of strategies, including but not limited to separating work crews into distinct units, modifying business practices regarding the beginning and end of work shifts, dispatching crews from their assigned vehicles, and

limiting the number of employees in those vehicles. We are constantly focused on cleaning and sanitizing procedures at every facility that we own and operate across our system. And to help maximize efforts for social distancing and to protect our co-workers, we initiated a new procedure that reduces the amount of touches between the toll collector and motorist. We no longer accept cash at these toll lanes. Rather, when exiting the highway, motorists provide certain information to the toll taker, who inputs it into the system. These customers are then billed by mail. Thruway staff is fully engaged in the important work at the emergency operation center and the New York Responds under the leadership of Governor Cuomo. To date, we have had 54 missions, transporting 94 pallets of hand sanitizer, with another 15 missions moving light towers, safety cones, and touch kits all across the state. In addition to that, we have support staff assigned at the department's warehouse at the Guilderland center and various other sites statewide. And lastly, I want to take a moment to thank the men and women of the Authority who have all stepped up and have answered the call, right from the executive staff in the main office to the division directors across the four sections, and to the staff on the frontlines. Every person is working to keep our roadways safe, while supporting critical economic and transportation functions during this health crisis. It truly continues to be a team effort, and I am proud to be associated with so many talented and dedicated individuals, and I thank all of them. That concludes my report.

Joanne Mahoney: Thanks, Matt, and I would like to echo that appreciation for the men and women of the Thruway Authority. The list that the Governor goes through every day, talking about the people that are keeping things moving, while the rest of us are quarantined includes the people that are using the critical infrastructure that we provide in the Thruway Authority and the men and women that are keeping it opened and operating. We are very grateful for them. And Matt, we appreciate too your leadership during this time and the policies that you have put into place to keep the men and women safe while they keep that moving. So thank you also on behalf of the Board, and Matt, you are up with the first item on the action agenda, which is going to authorize actions necessary for the conduct of the Thruway Authority in response to Covid-19.

Matt Driscoll: That's correct, and so I'll just give you a quick overview here. It is consistent with the Governor's executive orders concerning Covid-19, so this item states to provide the Thruway Authority with maximum flexibility to respond to the effects of Covid-19. So what it does is it proposes actually three delegations to the Executive Director, Chief Engineer, and Chief Financial Officer. Under the Executive Director delegations, this item would provide the Executive Director the ability to execute and extend procurement contracts and other types of agreements of any amount and term with prior written notice to Board Members above \$300,000.00. It would also allow waiving advertising requirements for procurement contracts, waive and adopt Authority rules and regulations if necessary, and most importantly, take any and all action necessary

and as permitted by law to mitigate the effects of Covid-19 on the Authority. For the Chief Engineer, the Chief Engineer would have the ability with the Executive Director's approval and again, written notice to the Board to add new projects to the contracts program, to advertise and award construction and design build agreements, and approve additional expenditures for construction, design, build, and engineering agreements. Finally, as for the Chief Financial Officer, the Chief Financial Officer would have the ability to transfer property to jurisdictions, other State Agencies, and Authorities to make disposals of real property provided that fair market value is obtained and of course acquire real property as well. As I say, all of these would be, they would last until the expiration of the State disaster emergency or Federal State of emergency is lifted, whichever is later and be subject to availability of funding, of course. And finally, a quarterly report of any and all agreements made under this resolution would be provided to you, the Board Members.

Joanne Mahoney: Okay, thanks, Matt. Can I have a motion to advance and discuss this item first?

Male: You have a motion.

Joanne Mahoney: And Heather, is that a second?

Heather: Second.

Joanne Mahoney: Thank you. Are there any questions for Matt about this item? It is unusual, but I will take this opportunity to say for the record that I appreciate the time that both Matt and the Thruway Authority staff spent with us throughout the month, briefing us on things like this, and we did have an opportunity to ask some questions, but are there any questions now for Matt relative to our authorizing these actions? Okay, all in favor?

All: Aye.

Joanne Mahoney: Is there any opposition? Hearing none, the motion is carried. Thank you very much, Matt. And we will move on to John Barr, Director of Administrative Services, who is going to present the next item the agenda, Authorizing the Executive Director to execute a contract with Energetics to provide drug and alcohol testing services for Thruway Authority employees.

John Barr: Good morning, Chair and Board Members. I hope you are all doing well. This board item does seek your approval to execute a drug, a contract to provide drug and alcohol testing for Thruway employees. The US Department of Transportation requires drug and alcohol testing for our approximately 1,200 employees required to possess a commercial driver's license. Under this agreement, testing will be performed in seven distinct areas. Of note, an RFP

was sent out to 265 firms. We did receive two proposals in response to the RFP. After a complete review and evaluation, Energetics was found to be fully responsive and the highest rated bidder. This contract, if approved, would be for a five-year term with an approximate cost of \$65,000.00 annually. Of note, Energetics has been the Authority's vendor for such services since 2005, and I would be happy to answer any questions.

Joanne Mahoney: Thanks for that, John. May I have a motion to advance and discuss this item?

Male: So moved.

Joanne Mahoney: And a second?

Male: Second.

Joanne Mahoney: Thank you. All in favor?

All: Aye.

Joanne Mahoney: You know what? I should have provided an opportunity for people to ask questions of John. Are there any questions regarding authorization to continue with Energetics? I have a motion and a second, all in favor?

All: Aye.

Joanne Mahoney: Is there any opposition? The motion carries. Thank you very much, John. Rich Lee, our Chief Engineer is going to present the next couple items. Rich, the floor is yours.

Rich Lee: Thank you. The first item I will be presenting today is for Authorizing the Execution of Supplemental Agreement No. 1, to Engineer Agreement D214562. At its January 23, 2017, meeting, in Resolution Number 6125, the Authority Board authorized the execution of an agreement with WSP USA, Incorporated to perform, design, build support services. This original agreement was for \$4,500,000.00. From a review of our cashless tolling design builder's scheduled operations for the remainder of 2020 and 2021, we have been able to estimate the cost of the remaining support services that will be required. Based on this estimate and WSP USA, Incorporated's performance to date, we request to execute supplemental agreement number one in the amount of six million dollars, thus revising the maximum amount payable to \$10,500,000.00. I would be happy to answer any questions that you might have concerning this item.

Joanne Mahoney: May I have a motion to advance and discuss this first item of Richard's?

Male: So moved.

Joanne Mahoney: And a second?

Male: Second.

Joanne Mahoney: Alright, are there any questions for Rich on D214562?
Alright, hearing none, all in favor?

All: Aye.

Joanne Mahoney: Is there any opposition? The motion carries. Thank you.
And Rich, D214771 is next.

Rich Lee: Okay, thank you. The last item I will be presenting today is for Authorizing an Execution of Agreement D214771 for Construction Inspection Support Services in the Albany Division. In accordance with Authority policy, MJ Engineering and Land Surveying PC has been designated from the six firms who submitted letters of interest. The maximum amount payable was two million dollars. The MWBE goal is thirty percent, and the SDVOB goal is six percent. The term is for three years with an option for the Authority to extend for one additional one-year term. Now if there are any questions, I would of course be happy and pleased to answer them.

Joanne Mahoney: May I have a motion to advance and discuss this item?

Male: So moved.

Joanne Mahoney: And a second?

Male: Second.

Joanne Mahoney: Are there any questions for Rich on this contract? All in favor?

All: Aye.

Joanne Mahoney: The motion is carried. Thank you very much, Rich. Kim McKinney, IT Director, is going to present the next agenda item. Kim?

Kim McKinney: Okay, thank you. Authorization is requested to Negotiate and Execute a Non-engineering Personnel Services Contract with Ask Reply, Inc. dba B2GNow, who are Designated as a Small Business Entity, and they provide Integration and Maintenance Services for the Statewide Minority and Women-

Owned Business tracking system, known as the New York State Contract System. The contract term is for five years, and the maximum amount payable for the term of the contract will not exceed \$200,000.00. This is a contract that was put in place by the State Office of Information Technology Services, to be used by all State Agencies and Authorities to comply with your reporting requirements for tracking business done with MWBEs. This allows for integration with the Thruway's contract system to automatically transmit the data into the statewide system and avoid a tremendous amount of manual data entry. I can answer any questions if anyone has anything.

Joanne Mahoney: Can I have a motion to advance and discuss this item?

Male: So moved.

Joanne Mahoney: And a second?

Male: Second.

Joanne Mahoney: Are there any questions for Kim about this item? I just want to note, Kim, I know when we talked earlier; I had asked you whether this was an MWBE business, and I think I just heard you say that it is.

Kim McKinney: No, it is not. They are an SBE, a small business entity. They are not an MWBE.

Joanne Mahoney: Oh, I thought you just said that, so the statewide entity that is going to track our minority and women-owned businesses is not actually a minority or woman-owned business?

Kim McKinney: Correct.

Joanne Mahoney: Okay. I am hoping that maybe there wasn't a response from one. Maybe you could track that information down for us, just for our information?

Kim McKinney: Sure, I would be glad to.

Joanne Mahoney: Alright. Are there any questions for Kim? Alright, all in favor of moving forward with this?

All: Aye.

Joanne Mahoney: Is there any opposition? Alright, hearing none, the motion is approved, but, Kim, I would just be curious about those additional facts, if you could get them to us.

Kim McKinney: Yes, I will check into it.

Joanne Mahoney: Okay, thanks. And Mark Hixson is up next. Mark is the Director of Maintenance and Operations for the Thruway Authority, so Mark, the floor is yours, please.

Mark Hixson: Thank you, Chair and Board Members. This item seeks Board Authorization for the Executive Director to execute a third amendment to Agreement C100739 with Conduent State and Local Solutions, Incorporated for E-ZPass New York Customer Service Center Services. The Authority, the MTA bridges and tunnels, and the Port Authority of New York/New Jersey who share E-ZPass and tolls by mail services have identical agreements with Conduent that are expiring this year. The Authority's agreement expires in September. The agency's requirements to support cashless tolling have changed, and ours will soon change dramatically. We are well underway with actions to implement cashless tolling system wide. We will experience dramatic increases in the volume of toll by mail transactions, image review, and subsequent toll bills. On behalf of the agencies, the MTA bridges and tunnels issued two distinct requests for proposal solicitations. The agencies received multiple proposals. However, after review of the proposals and the new plan to the agencies' conversion to cashless tolling, no contracts were awarded. The agencies have since made significant changes to the RFPs, and the revised system RFP was issued in October of 2019, well the Customer Contact Center RFP is expected to be issued in early April. It is estimated with the time required for vendor selection, contract negotiation and award, system development and transition, the existing agreement must be extended to October of 2022. The agencies have jointly negotiated fair and reasonable terms to this extension, including enhanced services, such as dedicated resources to ensure seamless rollout of cashless tolling, increased customer service staff, including training and quality assurance program enhancement and the use of industry-leading third-party technology to improve image review quality and reduce cost. Customer service is also enhanced by implementing new self-service panels, including a mobile app chat box and a consolidated E-ZPass and toll-by-mail website. Our staff is confident that the carefully negotiated extension will allow for the successful expansion of cashless tolling to provide measureable and lasting improvements in customer service and will cost effectively bridge the gap to a successor contract. This item today seeks Board authorization to extend the agreement and increase the maximum amount payable by 139 million dollars. It is estimated that approximately 25 million of this total will be reimbursed to the Authority by partner agencies operating through the Authority's agreement with Conduent. Funding for this increase is provided in our 2020 budget and will be budgeted for 2021 and 2022 by the Department of Finance in conjunction with the Department of Maintenance and Operations. Thank you, and I would be happy to answer any questions you may have.

Joanne Mahoney: Okay, I just realized I was still on mute while I was talking. Sorry about that. Can I please have a motion to advance and discuss Mark's item before we move on?

Male: So moved.

Joanne Mahoney: And a second?

Male: Second.

Joanne Mahoney: Are there any questions for Mark about this third amendment? Okay, all in favor?

All: Aye.

Joanne Mahoney: Hearing no opposition, the motion is approved. Thank you very much for that, Mark. And we did hear a report from Executive Director Matt Driscoll. Are there any other reports to the board? Okay, hearing none, that will conclude the formal agenda for the March 30, 2020, board meeting. Our next Board Meeting will be June 8, 2020. Tanya, has there been any emails from the public that wish to comment on any of the Thruway Authority's business?

Tanya: No, there hasn't.

Joanne Mahoney: Is there any other business before the Board? Hearing none, can I please have a motion to adjourn this meeting?

Male: So moved.

Joanne Mahoney: And a second?

Male: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: Okay, and I wish you all well, stay safe. This meeting of the Thruway is adjourned, and I will see everybody, I hope, on June 8, 2020. Thank you all for this very successful attempt at an audio Thruway Authority Board meeting. Thank you all for your work today.