



MINUTES

NEW YORK STATE THRUWAY AUTHORITY

BOARD MEETING NO. 659

April 18, 2007

Minutes of a meeting of the New York State Thruway Authority, held in the Board Room at Administrative Headquarters, 200 Southern Boulevard, Albany, New York, 12209.

The meeting began at 10:45 a.m.

There were present:

**John L. Buono, Chairman
Nancy E. Carey Cassidy, Vice Chairman
E. Virgil Conway, Board Member
Erin M. Crotty, Board Member
Frederick M. Howard, Board Member
Kevin J. Plunkett, Board Member
Jeffrey D. Williams, 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
John Bryan, Chief Financial Officer
Sharon O'Connor, General Counsel
William Rinaldi, Director, Albany Division
Christopher Waite, Chief Engineer
Joanne Riddett, Director, Information Technology
Jill Warner, Secretary and Board Administrator
Daniel Gilbert, Chief of Staff
Wendy Allen, Deputy Chief of Staff
John Barr, Director, Administrative Services**

Donald Bell, Director, Operations and Maintenance
Carmella Mantello, Director of Canal Corporation
Michael Flynn, Director, Audit & Management Services
Kevin Allen, Unit Supervisor, Audit & Management Services
Cathy Sheridan, Canal Capital Program Manager
Betsy Graham, Acting Director, Office of Public Affairs
John Brizzell, Transportation Federation Liaison
Tracie Sandell, Assistant Counsel
Peter Casper, Assistant Counsel
Carolyn Laney, Director of Long Range Planning, Policy and Analysis
Liz Yanus, Office Manager, Office of the Deputy Chief of Staff
Kathy Taylor, Cash Management Analyst, Bureau of Debt Management
Michael Sikule, Director, Office of Investments and Asset Management
William Leslie, Director, Buffalo Division
Lawrence Frame, Deputy Director, Canal Corporation
Jennifer Meicht, Deputy Director, Canal Office of Communications and Marketing
Mark Andersen, Director, Travelers' Services
Steve Sweeney, Canal Engineer, Albany Division
John Callaghan, Special Assistant, Canal Community Development and Land Management
Karen Wilson, Network Services Team, Information Technology
Captain John McCarthy, Troop T
Also in Attendance:
Stanley Kramer, Bond Counsel, Hawkins Delafield & Wood, LLP
Steven Kantor, Managing Director, First Southwest Company
Robert Christie, Executive Director, Morgan Stanley & Company
Steven Turner, Partner, Hawkins Delafield & Wood, LLP
Doron Bar-Levay, Member, Harris Beach PLLC
Cathy Woodruff, Reporter, *Albany Times Union*
Geraldine Gauthier, General Public

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

The Chairman called the meeting to order.

Ms. Warner recorded the minutes as contained herein.

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



Item 1 Ms. Warner (Appendix A)
Minutes of Meeting No. 658

On the motion of Mr. Williams, seconded by Mr. Howard, without any objections, the Board approved the minutes of Meeting No. 658 held on March 21, 2007, which were made available to the Board Members as part of the Agenda.

Item 2 by Mr. Bryan (Appendix B)
Financial Report – February 2007

Mr. Bryan reported that net toll revenue in the first two months of 2007 was \$2.6 million below the level collected in the same period of 2006, representing a decrease of 3.4 percent. Staff estimates that almost all of this variation is due to the suspension of toll collection at the Black Rock and City Line Barriers in Buffalo. Accounting for this, there was really no underlying growth between the first two months of 2007 and 2006 and staff had expected some growth – approximately 2.7 percent. The positive revenue impact from the high number of good travel days in January (from the unusually warm and storm-free weather) was more than offset by the high number of stormy travel days in February.

For concessions, gasoline deliveries to Thruway service areas decreased in the first two months in 2007 when compared to 2006. Restaurant sales also declined over the previous year, due to the recent closure of several WNY food service areas for renovations. As a result of these trends, total concession revenue in the first two months of 2007 was about 2.3 percent below the level collected in the first two months of 2006.

Sundry and other revenue collections continue to significantly exceed last year's levels – up by about \$760,000 or 23.0 percent. The Authority is earning more on its investments as rates climb and reserves stay at high levels.

Accounting for toll, concession, sundry and other revenue collections, total revenue collected in the first two months of 2007 reached over \$79 million which was just under \$2.0 million or 2.3 percent less than the level collected in the first two months of 2006. Compared to the 2007 budget estimate for the first two months, total operating revenue is about \$2.3 million below staff's estimate.

On the expense side, for the first two months of 2007 total operating expenses were \$3.9 million or 6.4 percent above expenses for the same period in 2006. General Charges (insurance, pensions etc.) accounted for some of this growth. Also, higher



Item 2 by Ms. Warner (Appendix B)
Financial Report – February 2007 (Continued)

snow and ice removal costs associated with a very stormy February this year showed up in February's Thruway expense growth. On the Other Authority Projects (OAP) side, all of the growth was attributable to costs associated with a \$1.7 million payment made to closeout the Drury Lane Project. As a result of these trends, total operating expenses came in about \$2.1 million above staff's budget estimate.

Ms. Carey Cassidy asked what caused the payments to be moved. Mr. Bryan responded, citing timing issues. The payment schedule was developed last June as part of the Budget submission. The bills were received earlier than projected.

Ms. Carey Cassidy asked why I-84 expenses were included. It was noted that I-84 would not be relinquished to the New York State Department of Transportation until October 31, 2007.

Following discussion regarding the financial condition of the Authority, on the motion of Mr. Plunkett, seconded by Mr. Williams, without any objections, the Board accepted the Financial Report for the month of February 2007.

Item 3 by Mr. Bryan (Appendix C)
Annual Report of Procurement Contracts

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

RESOLUTION NO. 5595
ANNUAL REPORT OF 2006 PROCUREMENT CONTRACTS

RESOLVED, that the Schedules of 2006 Procurement Contracts (Exhibits A1, A2 and A3), as submitted, are hereby accepted, and be it further

RESOLVED, that all such contracts were executed in accordance with the applicable provisions of the following Board approved Policy Statement: **PROCUREMENT CONTRACTS (25-5-01)**, unless otherwise authorized by the Board, and be it further

RESOLVED, that the Bond Sale Report for Calendar Year 2006 (Exhibit B), as submitted, is hereby accepted, and be it further



Item 3 by Mr. Bryan (Appendix C)
Annual Report of Procurement Contracts (Continued)

RESOLVED, that staff is authorized to submit this report to the New York State entities as required by Section 2879 of the Public Authorities Law, and be it further

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

Item 4 by Ms. O'Connor (Appendix D)

Approving the Fifteenth Supplemental Local Highway and Bridge Special Limited Obligation Service Contract Resolution Authorizing an Amount not to Exceed \$400,00,000 of Local Highway and Bridge Service Contract Refunding Bonds, Series 2007, and Approving the Form of and Authorizing the Distribution and Use of the Preliminary Official Statement, Approving the Execution of the Final Official Statement, Approving the Form of Bond Purchase Agreement and the Form of the Continuing Disclosure Agreement, and Authorizing the Execution of Such Agreements, One or More Escrow Deposit Agreements and any Additional Documents Deemed Necessary or Desirable, for the Sale of the Series 2007 Refunding Bonds, and Appointing a Trustee for the Series 2007 Refunding Bonds

Mr. Plunkett asked if this would be the fifteenth year that the bonds would be refunded. Ms. O'Connor clarified that this was the fifteenth issuance (issuances do not necessarily occur annually). This is an ongoing program closed for new money issues; it is to refund prior, outstanding bonds. Ms. Carey Cassidy inquired if the Authority has settled on \$197 million, to which Ms. O'Connor responded negatively, advising that \$400 million was the monetary cap. Mr. Plunkett expressed approval subject to receipt of the request from the New York State Division of the Budget.

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

RESOLUTION NO. 5596

APPROVING THE FIFTEENTH SUPPLEMENTAL LOCAL HIGHWAY AND BRIDGE SPECIAL LIMITED OBLIGATION SERVICE CONTRACT RESOLUTION AUTHORIZING AN AMOUNT NOT TO EXCEED \$400,000,000 OF LOCAL HIGHWAY AND BRIDGE SERVICE CONTRACT REFUNDING BONDS, SERIES 2007, AND APPROVING THE FORM OF AND



Item 4 by Ms. O’Conor (Appendix D)

Approving the Fifteenth Supplemental Local Highway and Bridge Special Limited Obligation Service Contract Resolution Authorizing an Amount not to Exceed \$400,00,000 of Local Highway and Bridge Service Contract Refunding Bonds, Series 2007 (Continued)

AUTHORIZING THE DISTRIBUTION AND USE OF THE PRELIMINARY OFFICIAL STATEMENT, APPROVING THE EXECUTION OF THE FINAL OFFICIAL STATEMENT, APPROVING THE FORM OF BOND PURCHASE AGREEMENT AND THE FORM OF THE CONTINUING DISCLOSURE AGREEMENT, AND AUTHORIZING THE EXECUTION OF SUCH AGREEMENTS, ONE OR MORE ESCROW DEPOSIT AGREEMENTS AND ANY ADDITIONAL DOCUMENTS DEEMED NECESSARY OR DESIRABLE, FOR THE SALE OF THE SERIES 2007 REFUNDING BONDS, AND APPOINTING A TRUSTEE FOR THE SERIES 2007 REFUNDING BONDS

RESOLVED, that on August 23, 1991 the Board adopted a Local Highway and Bridge Special Limited Obligation Service Contract Bond Resolution (the “Service Contract Resolution”) which authorizes the bonds of the Authority, designated as “Local Highway and Bridge Service Contract Bonds” to finance all or a portion of the cost of the Projects and to refund such bonds prior to their maturity at the discretion of the Authority, and be it further

RESOLVED, that the Director of the Budget of the State has entered into a service contract, on behalf of the State, with the Authority (the “Service Contract”) to provide for the financing of local highway and bridge projects (the “Projects”) and such Service Contract, as amended, was approved by the Board pursuant to Resolution No. 4659, adopted at Meeting No. 548 held on August 29, 1996; and be it further

RESOLVED, that the Authority has issued bonds (the “Prior Bonds”) in order to finance the costs of the Projects authorized by law; and be it further



Item 4 by Ms. O’Conor (Appendix D)

Approving the Fifteenth Supplemental Local Highway and Bridge Special Limited Obligation Service Contract Resolution Authorizing an Amount not to Exceed \$400,000,000 of Local Highway and Bridge Service Contract Refunding Bonds, Series 2007 (Continued)

RESOLVED, that Sections 202, 203 and 205 of the Service Contract Resolution require that the issuance by the Authority of Local Highway and Bridge Service Contract Bonds, including refunding bonds, shall be authorized by a supplemental resolution or resolutions of the Authority; and be it further

RESOLVED, that there has been prepared and submitted to the Board a form of Fifteenth Supplemental Local Highway and Bridge Special Limited Obligation Service Contract Bond Resolution Authorizing an Amount Not to Exceed \$400,000,000 of Local Highway and Bridge Service Contract Bonds, Series 2007 (the “Fifteenth Supplemental Resolution”), to refund certain Local Highway and Bridge Service Contract Bonds, on terms satisfactory to the Authority and the State (collectively, the Series 2007 Refunding Bonds); and be it further

RESOLVED, that the Board approves and adopts the Fifteenth Supplemental Resolution, and be it further

RESOLVED, that the Authority intends to sell Series 2007 Refunding Bonds prior to December 31 2007, pursuant to the Service Contract Resolution, the Fifteenth Supplemental Resolution and a Bond Purchase Agreement between the Authority and a syndicate of underwriters (the “Bond Purchase Agreement”), the form of which Bond Purchase Agreement has been set before the Board; and be it further

RESOLVED, that in connection with the offering and sale of the Series 2007 Refunding Bonds, the Board (i) approves the form of the Preliminary Official Statement as submitted to this meeting and made a part of the Resolution as though set forth in full herein, (ii) authorizes its



Item 4 by Ms. O’Conor (Appendix D)

Approving the Fifteenth Supplemental Local Highway and Bridge Special Limited Obligation Service Contract Resolution Authorizing an Amount not to Exceed \$400,00,000 of Local Highway and Bridge Service Contract Refunding Bonds, Series 2007 (Continued)

distribution and use, and (iii) authorizes the Chairman or an Authorized Officer to approve and execute such changes, insertions and omissions thereto as may be deemed necessary or desirable to effectuate the purposes thereof, said distribution being conclusive evidence of such approval and any necessary or desirable changes, insertions or omissions thereto, and be it further

RESOLVED, that the Board authorizes the Chairman, or an Authorized Officer, to certify that the Preliminary Official Statement related to the Series 2007 Refunding Bonds is deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, except for certain permitted omissions and information not required under said Rule to be included therein, and be it further

RESOLVED, that the Board approves and ratifies the terms and the form of the Bond Purchase Agreement in the manner set forth in Section 301 of the Fifteenth Supplemental Resolution and authorizes the Chairman, or other Authorized Officer as set forth in the Fifteenth Supplemental Resolution, to execute and deliver the Bond Purchase Agreement with such changes, insertions or omissions as may be approved by such officer, and be it further

RESOLVED, that in connection with the sale of the Series 2007 Refunding Bonds, the Board delegates to the Chairman or other Authorized Officer of the Authority authorization to execute and distribute a final Official Statement relating to the Series 2007 Refunding Bonds in substantially the form of the Preliminary Official Statement with such changes, omissions and insertions as may be approved by the Chairman or other Authorized Officer; and be it further



Item 4 by Ms. O’Conor (Appendix D)

Approving the Fifteenth Supplemental Local Highway and Bridge Special Limited Obligation Service Contract Resolution Authorizing an Amount not to Exceed \$400,00,000 of Local Highway and Bridge Service Contract Refunding Bonds, Series 2007 (Continued)

RESOLVED, that the Board approves the terms and the form of the Continuing Disclosure Agreement and authorizes the Chairman or other Authorized Officer to execute upon such terms and conditions as are consistent with the provisions of the Fifteenth Supplemental Resolution a Continuing Disclosure Agreement with such changes, insertions or omissions as may be approved by such officer, and be it further

RESOLVED, that the Chairman, or other Authorized Officer, is authorized to execute an Escrow Deposit Agreement and any additional Agreements or other documents necessary or desirable to facilitate the sale of the bonds issued by the Authority to refund Prior Bonds, such other agreements and documents to be consistent with existing statutes, policies, procedures and other existing obligations and covenants, and be it further

RESOLVED, that the Board authorizes the selection of the Bank of New York to serve as Trustee for the Series 2007 Refunding Bonds, and be it further

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

Item 5 by Ms. O’Conor (Appendix E)

Authorizing the Executive Director to Execute a Fourth Amendment to the Agreement (C100427) with Holland & Knight LLP for Legal Services to Increase the Monetary Cap

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



Item 5 by Ms. O'Connor (Appendix E)

Authorizing the Executive Director to Execute a Fourth Amendment to the Agreement (C100427) with Holland & Knight LLP for Legal Services to Increase the Monetary Cap (Continued)

RESOLUTION NO. 5597

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A FOURTH AMENDMENT TO THE AGREEMENT (C100427) WITH HOLLAND & KNIGHT LLP FOR LEGAL SERVICES TO INCREASE THE MONETARY CAP

RESOLVED, that the Executive Director be, and he hereby is, authorized to execute a Fourth Amendment to the Agreement (C100427) with Holland & Knight LLP for legal services, such amendment to be on such terms and conditions as the Executive Director and General Counsel determine to be in the best interest of the Authority, and be it further

RESOLVED, that such Fourth Amendment shall increase the maximum amount payable under such agreement by \$85,000, from the current monetary cap of \$150,000, to a new monetary cap of \$235,000, 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 this Agreement, manage and administer this Agreement, amend the provisions of this Agreement consistent with the terms of this Item and other Board authorizations and suspend or terminate this Agreement in the best interest of the Authority, and be it further

RESOLVED, that sufficient funds are provided in the 2007 Thruway Operating Budget for these expenditures, and be it further

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



Item 6 by Mr. Waite (Appendix F)

Authorizing Negotiation and Execution of Engineering Agreement D213685 with Baker Engineering NY, Inc. for Construction Inspection Services Relative to TANY 07-1, Rock Remediation and Rock Draping at M.P. 32.42 Northbound and M.P. 18.3 Southbound, and TANY 07-10, Rehabilitation of the Sloatsburg Service Area Parking Structure in the New York Division, and Allocating Funds Therefor

Mr. Plunkett asked if garage repairs were included in this agreement, to which Mr. Waite responded affirmatively. Mr. Williams inquired as to the costs of the garage repairs. Mr. Waite advised that the costs and timing are uncertain. All three projects were initially expected to be conducted simultaneously; however the necessity of the garage repairs will cause work to be extended through another construction season.

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

RESOLUTION NO. 5598

AUTHORIZING NEGOTIATION AND EXECUTION OF ENGINEERING AGREEMENT D213685 WITH BAKER ENGINEERING NY, INC. FOR CONSTRUCTION INSPECTION SERVICES RELATIVE TO TANY 07-1, ROCK REMEDIATION AND ROCK DRAPING AT M.P. 32.42 NORTHBOUND AND M.P. 18.3 SOUTHBOUND, AND TANY 07-10, REHABILITATION OF THE SLOATSBURG SERVICE AREA PARKING STRUCTURE IN THE NEW YORK DIVISION, AND ALLOCATING FUNDS THEREFOR

RESOLVED, that the Chief Engineer be, and hereby is, authorized to negotiate and execute engineering agreement D213685 with Baker Engineering NY, Inc., 400 Executive Boulevard, Elmsford, New York 10523 for construction inspection services relative to TANY 07-1, Rock Remediation and Rock Draping at M.P. 32.42 Northbound and M.P. 18.3 Southbound, and TANY 07-10, Rehabilitation of the Sloatsburg Service Area Parking Structure in the New York Division, provided that the Maximum Amount Payable does not exceed \$600,000, of



Item 6 by Mr. Waite (Appendix F)

Authorizing Negotiation and Execution of Engineering Agreement D213685 with Baker Engineering NY, Inc. for Construction Inspection Services Relative to TANY 07-1, Rock Remediation and Rock Draping at M.P. 32.42 Northbound and M.P. 18.3 Southbound, and TANY 07-10, Rehabilitation of the Sloatsburg Service Area Parking Structure in the New York Division, and Allocating Funds Therefor (Continued)

which \$492,000 is provided through the 2007 Contracts Program (Items H952.1 and B881.1), and be it further

RESOLVED, that an additional \$108,000 be allocated to this agreement through the 2008 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 2007 Contracts Program Resolution No. 5553 and other Board authorizations, and suspend or terminate the agreement in the best interests of the Authority, and be it further

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

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

Item 7 by Mr. Waite (Appendix G)

Approving Additional Funding for the Tappan Zee Bridge/I-287 Corridor Environmental Review

Ms. Carey Cassidy stated that Authority staff should not execute these supplemental agreements prior to the approval of Metro-North Commuter Railroad Company (MNR); however it was also her understanding that some of this work has already been completed. She asked if the work had been done without Board



Item 7 by Mr. Waite (Appendix G)

Approving Additional Funding for the Tappan Zee Bridge/I-287 Corridor Environmental Review (Continued)

approval. Mr. Waite responded, stating that some tasks date back to 2004 and 2005. The tasks and associated costs are routinely reviewed by the project team and considered in tandem with the entire project. The Authority's staff has allowed overruns in various categories of spending and only advising the Board when the project is approaching the maximum amount payable. Ms. Carey Cassidy indicated that minor overruns not affecting the maximum amount payable could be conducted without prior Board approval when absolutely necessary and so long as the contractors know it is at their risk; however she reminded staff that supplemental agreements should not be submitted to the Board after the work has been completed.

Messrs. Conway and Plunkett asked if a cost estimate for the environmental studies was available. Mr. Waite advised that this information was not currently accessible. Ongoing work, including design, is expected to be completed in June or July at which time a firmer estimate will be provided. Mr. Plunkett commented that it is understandable that the estimate is not available as third parties are continuously asking to expand the studies, but requested to review the estimate once it is determined.

Ms. Crotty asked if the Authority was fronting the money for MNR and getting reimbursed. Ms. Laney responded affirmatively, indicating that the Authority will pay 50 percent of the \$57 million approved to date. Fifty percent of \$15 million is requested pursuant to this item. Mr. Bryan noted that reimbursement is prompt, generally occurring in two months.

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

RESOLUTION NO. 5599
APPROVING ADDITIONAL FUNDING FOR THE
TAPPAN ZEE BRIDGE/I-287 COORIDOR
ENVIRONMENTAL REVIEW

RESOLVED, that an additional sum of \$15,740,000 be authorized for the Tappan Zee Bridge/I-287 Corridor Environmental Review Project, be, and the same hereby is, approved, and be it further



Item 7 by Mr. Waite (Appendix G)

**Approving Additional Funding for the Tappan Zee Bridge/I-287 Corridor
Environmental Review (Continued)**

RESOLVED, that proposed Supplemental Agreement No. 3 to D213122 with DMJM+Harris, Inc., 605 Third Street, New York, New York 10158, for an additional sum of \$4,365,000, be, and the same hereby is, approved, and be it further

RESOLVED, that proposed Supplemental Agreement No. 4 to D213123 with Earth Tech Northeast, Inc., 200 Liberty Street, 25th Floor, 1 World Financial Center, New York, New York 10281, for an additional sum of \$7,230,000, be, and the same hereby is, approved, and be it further

RESOLVED, that proposed Supplemental Agreement No. 3 to D213124 with Ove Arup and Partners Consulting Engineers, Inc., 155 Avenue of the Americas, 11th Floor, New York, New York 10013, for an additional sum of \$4,145,000, be, and the same hereby is, approved, and be it further

RESOLVED, that the revised Maximum Amount Payable for Agreement D213122 be \$11,065,000, for Agreement D213123 be \$27,280,000, and for Agreement D213124 be \$16,745,000, and be it further

RESOLVED, that the Metro-North Commuter Railroad Company will reimburse the Thruway Authority the sum of \$7,870,000 (representing a fifty percent share) toward Supplemental Agreement No. 3 of D213122, Supplemental Agreement No. 4 of D213123, and Supplemental Agreement No. 3 of D213124, and be it further

RESOLVED, that the proposed Supplemental Agreements to D213122, D213123 and D213124 will not be executed until receiving Metro-North Commuter Railroad



Item 7 by Mr. Waite (Appendix G)

Approving Additional Funding for the Tappan Zee Bridge/I-287 Corridor Environmental Review (Continued)

Company's formal approval to fund fifty percent share of the Supplemental Agreements, 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 Supplemental Agreements, manage and administer the Supplemental Agreements, amend the provisions of the Supplemental Agreements consistent with the terms of this item and in accordance with the 2007 Contracts Program Resolution other Board authorizations, and suspend or terminate the Supplemental Agreements in the best interests of the Authority, and be it further

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

Item 8 by Ms. O'Connor (Appendix H)

Authorizing the Executive Director to Execute Amendments to the Agreements for Outside Environmental Counsel for the Tappan Zee Bridge/I-287 Corridor Study with Sive, Paget & Riesel, P.C. (C100423) and Whiteman Osterman & Hanna LLP (C100422) to Increase the Monetary Cap, and Allocate the Funds Therefor

Ms. O'Connor reported that these agreements are another component of the Tappan Zee Bridge/I-287 Study relative to legal services. An additional \$1 million per contract is requested to complete work through the issuance of the Draft Environmental Impact Statement. The New York State Office of the State Comptroller approved the extension of both contracts through the completion of the Record of Decision. The roles of the consultants will be redefined as "project counsel." Mr. Williams asked if the Metro-North Commuter Railroad Company (MNR) could pay the expenses and the Authority could provide reimbursement. He also inquired what would happen if MNR didn't approve the expenses. Ms. O'Connor advised that the current contracts are in the name of the Authority so the Authority has to make the payments and that Board guidance as to how to proceed would be sought in the event MNR didn't approve sharing expenses. In response to Mr. Plunkett's question concerning whether the agreement was retroactive, Ms. O'Connor advised that it pertained only to forthcoming work. Ms. O'Connor verified for Mr. Plunkett that the



Item 8 by Ms.O’Conor (Appendix H)

Authorizing the Executive Director to Execute Amendments to the Agreements for Outside Environmental Counsel for the Tappan Zee Bridge/I-287 Corridor Study with Sive, Paget & Riesel, P.C. (C100423) and Whiteman Osterman & Hanna LLP (C100422) to Increase the Monetary Cap, and Allocate the Funds Therefor (Continued)

firms had issued statements denying any potential conflicts of interest.

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

RESOLUTION NO. 5600

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AMENDMENTS TO THE AGREEMENTS FOR OUTSIDE ENVIRONMENTAL COUNSEL FOR THE TAPPAN ZEE BRIDGE/I-287 CORRIDOR STUDY WITH SIVE, PAGET & RIESEL, P.C. (C100423) AND WHITEMAN OSTERMAN & HANNA LLP (C100422) TO INCREASE THE MONETARY CAP, AND ALLOCATE THE FUNDS THEREFOR

RESOLVED, that the Executive Director be, and he hereby is, authorized to execute an amendment to the Agreement with Sive, Paget & Riesel, P.C. (C100423) (“SP&R”) and an amendment to the Agreement with Whiteman, Osterman & Hanna LLP (C100422) (“WOH”) for outside environmental counsel services, to increase the maximum amount payable under such agreements by \$1,000,000 per Agreement, from the current monetary cap of \$1,000,000 per Agreement, to a new monetary cap of \$2,000,000 for each Agreement, and be it further

RESOLVED, that the Executive Director is authorized to make clarifications to the scope of services for each of the WOH and SP&R Agreements, as he deems appropriate, to document the expanded role as project environmental counsel, and be it further

RESOLVED, that the Executive Director is authorized to execute an agreement or, in the alternative, an



Item 8 by Ms.O’Conor (Appendix H)

Authorizing the Executive Director to Execute Amendments to the Agreements for Outside Environmental Counsel for the Tappan Zee Bridge/I-287 Corridor Study with Sive, Paget & Riesel, P.C. (C100423) and Whiteman Osterman & Hanna LLP (C100422) to Increase the Monetary Cap, and Allocate the Funds Therefor (Continued)

amendment to the Memorandum of Agreement by and among the New York State Thruway Authority, Metro-North Commuter Railroad Company and New York State Department of Transportation regarding the I-287 Corridor and the Tappan Zee Bridge, if necessary, to secure from MNR a fifty percent (50%) share of the WOH and SP&R counsel costs as project environmental counsel, and be it further

RESOLVED, that the 2007 Contracts Program be amended to account for the additional \$2,000,000 for Agreements C100423 and C100422, and that a sum of \$700,000 in 2007 cash flow be, and the same hereby is, allocated toward the project from bid savings and other adjustments made to the 2007 Contracts Program, and be it further

RESOLVED, that the Executive Director or his designee shall have the authority to exercise all powers reserved to the Authority 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 other Board authorizations and suspend or terminate the Agreements in the best interest of the Authority, and be it further

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



Item 9 by Mr. Fleischer (Appendix I)

Establishing the Board Audit and Finance Committee and Approving an Audit and Finance Committee Charter

Mr. Fleischer reported that the Audit Committee was being expanded to include Finance items to provide additional oversight on financial and budgetary items. Ms. Carey Cassidy and Mr. Williams both inquired as to why the committees were being combined. Chairman Buono acknowledged originating this idea to have the committee review and flesh out items prior to presentation to the full Board for approval. Additionally, he did not want to establish a third committee. Mr. Howard asked why the charter was not amended to reflect the change in title of the committee. He was advised that a global replacement was included in the item and that the Charter would be amended to reflect the change as well.

Chairman Buono appointed Board Member E. Virgil Conway to serve as the Chair of the Audit and Finance Committee.

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

RESOLUTION NO. 5601

ESTABLISHING THE BOARD AUDIT AND FINANCE COMMITTEE AND APPROVING AN AUDIT AND FINANCE COMMITTEE CHARTER

RESOLVED, that the Board Audit and Finance Committee is established; and be it further

RESOLVED, that the Audit and Finance Committee Charter, attached hereto as Exhibit A, is approved; and be it further

RESOLVED, that there be one Audit and Finance Committee responsible for both the Thruway Authority and the Canal Corporation; and be it further

RESOLVED, that Audit and Finance Committee meetings will be subject to the requirements of the Open Meetings Law; and be it further



Item 9 by Mr. Fleischer (Appendix I)

Establishing the Board Audit and Finance Committee and Approving an Audit and Finance Committee Charter (Continued)

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

Adjournment

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

**Jill B. Warner
Secretary**

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

