



## **MINUTES**

### **NEW YORK STATE THRUWAY AUTHORITY**

#### **BOARD MEETING NO. 662**

**September 19, 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 9:25 a.m.

There were present:

**John L. Buono, Chairman**  
**E. Virgil Conway, Board Member**  
**Erin M. Crotty, Board Member**  
**Frederick M. Howard, Board Member**  
**Jeffrey D. Williams, Board Member**  
**Kevin J. Plunkett, Board Member**

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

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

In addition, there were present the following staff personnel:

**Michael R. Fleischer, Executive Director**  
**John Bryan, Chief Financial Officer**  
**Sharon O'Connor, General Counsel**  
**William Rinaldi, Director, Albany Division**  
**Christopher Waite, Chief Engineer**  
**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**  
**Joanne Riddett, Director, Information Technology**  
**Michael Flynn, Director, Audit & Management Services**  
**Kevin Allen, Unit Supervisor, Audit & Management Services**  
**Betsy Graham, Acting Director, Office of Public Affairs**  
**Tracie Sandell, Assistant Counsel**  
**Liz Yanus, Office Manager, Office of the Deputy Chief of Staff**  
**Thomas Pericak, Acting Director, Buffalo Division**  
**Dorraine Steele, Director, Office of Fiscal Audit and Budget**  
**Carolyn Laney, Director of Long Range Planning, Policy and Analysis**  
**Cathy Sheridan, Canal Capital Program Manager**  
**John DiMura, Canal Trails, Canal Community Development and Land Management**  
**John Callaghan, Special Assistant, Canal Community Development and Land Management**  
**William McDonough, Assistant Investment Officer, Bureau of Debt Management**  
**Michael Sikule, Director, Office of Investments and Asset Management**  
**Major George Beach, Troop T**  
**Also in Attendance:**  
**Gerald Nielsten, Senior Principal, Stantec Consulting**  
**Stanley Kramer, Bond Counsel, Hawkins Delafield & Wood, LLP**  
**Michael Anderson, New York State Department of Transportation**  
**Cathy Woodruff, Reporter, *Albany Times Union***  
**Karl Diehl, Production Coordinator, NYN**

**Chairman Buono noted that he, Mr. Howard, Mr. Plunkett, Mr. Conway, Mr. Williams and Ms. Crotty 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.**

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**Item 1 Ms. Warner (Appendix A)**  
**Minutes of Meeting No. 661**

On the motion of Ms. Crotty, seconded by Mr. Plunkett, without any objections, the Board approved the minutes of Meeting No. 661 held on July 18, 2007, which were made available to the Board Members as part of the Agenda.

**Report to the Board from the Chair of the Audit and Finance Committee**

As Chair of the Audit and Finance Committee, Mr. Conway reported on the Committee's recent activities, summarizing the actions taken at the July 18, 2007 and September 13, 2007 meetings.

At its July meeting, Mr. Bryan summarized the proposed 2008 budget indicating an estimated growth rate of 4 percent is projected for the Thruway Authority and an approximate 2.5 percent increase is expected for the Canal Corporation. The Committee approved the issuance of a Request for Proposals (RFP) to select counterparties for a possible general revenue bond hedge transaction. The RFP is expected to be issued later this year. The Committee designated UHY, LLP as the Authority's external auditor for 2007 by approving a one year contract extension with the firm; and it approved various internal audit programs.

At its September meeting, the Committee authorized development of a revised multi-year financial plan; it approved the Board consideration of the issuance of General Revenue Bonds Series H (\$625 million in new money and \$475 million in refunding); it reviewed and accepted periodic internal and external reports; and it approved a proposed plan to strengthen controls over the processing reimbursements to Board Members and the Executive Director for travel/business expenditures, copies of the plan will be distributed to the Board and affected staff.

**Item 2 by Mr. Fleischer (Appendix B)**  
**Report to Thruway Authority Board for Personal Service Contracts Up to \$150,000 for the Period April 1, 2007 through June 30, 2007**

Mr. Fleischer submitted as Exhibit I a listing containing Personal Service Contracts up to \$150,000 for the period of April 1, 2007 through June 30, 2007.

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



**Item 3 by Mr. Fleischer (Appendix C)**

**Staff Appointment of Thomas Pericak as Buffalo Division Director**

Mr. Howard noted a discrepancy in the salary figures listed in the body of the item and the resolution. Mr. Barr confirmed the lower figure (\$122,636) to be the accurate salary.

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

**RESOLUTION NO. 5626**

**STAFF APPOINTMENT OF THOMAS PERICAK AS  
BUFFALO DIVISION DIRECTOR**

RESOLVED, that the Board hereby appoints Thomas Pericak as Buffalo Division Director, effective September 19, 2007, at salary grade 36 with an annual salary of \$122,636, funds for which are available in the 2007 Operating Budget, and be it further

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

**Item 4 by Mr. Fleischer (Appendix D)**

**Appointment of William F. McDonough as Assistant Secretary**

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

**RESOLUTION NO. 5627**

**APPOINTMENT OF WILLIAM F. McDONOUGH AS  
ASSISTANT SECRETARY TO THE AUTHORITY**

RESOLVED, that the Board hereby names and appoints William F. McDonough to serve in the office of Assistant Secretary, and be it further

RESOLVED, that the duties to be performed by Mr. McDonough, during his term as Assistant Secretary, shall be limited to the certification and attestation of signatures, documents and other materials necessary to transact the



**Item 4 by Mr. Fleischer (Appendix D)**

**Appointment of William F. McDonough as Assistant Secretary (Continued)**

various debt financings that are authorized by the Board,  
and be it further

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

**Item 5 by Mr. Bryan (Appendix E)**

**Financial Reports – June and July 2007**

Mr. Bryan reported that the Authority collected \$331.1 million in revenue in the first seven months of 2007, which was \$7.9 million below the level collected in the same period of 2006, representing a decrease of 2.3 percent. The main factors contributing to this decline include a discontinuation of toll collections at the Black Rock and City Line Barriers in Buffalo, a decline in traffic due to the stormy winter weather conditions this past winter, and the negative impact high fuel prices have had on traffic, tolls and service area gasoline sales in recent months. However, a portion of this decline has been mitigated by higher investment income, real estate income and rental income received from restaurant concessionaires.

As with the Authority's year-to-year comparison, the winter season being stormier than expected and the unexpected high level of gas prices in recent months also resulted in revenues being below the 2007 Budget estimate. Compared to the budget estimate, after adjusting for the discontinuation of toll collections at the two barriers in the City of Buffalo, revenues are about \$11.4 million or 3.3 percent below what was estimated in the plan.

On the expense side, total operating expenses reached \$229.3 million in the first seven months of 2007, which was \$1.4 million or 0.6 percent above expenses for the same period in 2006.

Compared to the Authority's budget, total operating expenses came in \$7.7 million or 3.3 percent below the estimate – which highlights the success of the ongoing cost containment program here at the Authority.

In November, staff will be presenting to the Audit and Finance Committee and the Board a revised financial plan for 2007 as part of the 2008 Budget.



**Item 5 by Mr. Bryan (Appendix E)**  
**Financial Reports – June and July 2007 (Continued)**

Ms. Crotty noted that the interest earnings in the June and July reports were identical and asked if these figures were calculated monthly or bi-monthly. Mr. Bryan advised that the July figures were erroneously not updated and stated that the interest earnings for July are actually \$1.8 million higher than indicated and \$1.6 million higher than budgeted.

Mr. Howard commented that revenue in the Erie section appears to have had the greatest decline in contrast to the other sections that realized an increase. Mr. Bryan explained that there are primarily bridges and barriers in this area and motorists generally consist of commuters. He attributed the decline in revenue in February and March to the weather conditions. Mr. Nielsten from Stantec Consulting advised that a nationwide decrease in discretionary travel had been reported which could also account for the decrease in revenue.

Following discussion regarding the financial condition of the Authority, on the motion of Ms. Crotty, seconded by Mr. Conway, without any objections, the Board accepted the Financial Reports for the months June and July of 2007.

**Item 6 by Mr. Bryan (Appendix F)**  
**Investment Transactions**

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

**Item 7 by Ms. O'Connor (Appendix G)**  
**Amending the New York State Thruway Authority "Rules and Regulations" to Remove All References to the Black Rock and City Line Toll Barriers**

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

**RESOLUTION NO. 5628**  
**AMENDING THE NEW YORK STATE THRUWAY  
AUTHORITY "RULES AND REGULATIONS" TO  
REMOVE ALL REFERENCES TO THE BLACK ROCK  
AND CITY LINE TOLL BARRIERS**

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**Item 7 by Ms. O’Conor (Appendix G)**

**Amending the New York State Thruway Authority “Rules and Regulations” to Remove All References to the Black Rock and City Line Toll Barriers (Continued)**

RESOLVED, that the Board hereby approves the proposed amendments to the Authority’s “Rules and Regulations” as presented in Exhibit A attached hereto and authorizes the Executive Director or his designee, to take all actions necessary for adoption of such amendments in accordance with the State Administrative Procedure Act, Executive Order #20 and any other applicable statutes, policies and procedures; and be it further

RESOLVED, that the Executive Director is authorized to make modifications to such amendments as he deems appropriate in response to any comments that may be received during the adoption process conducted in accordance with the State Administrative Procedure Act, Executive Order #20 and other applicable statutes, policies and procedures, and be it further

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

**Item 8 by Ms. O’Conor (Appendix H)**

**Authorizing the Executive Director to Execute a First Amendment to the Agreement (C100670) with Hawkins, Delafield & Wood LLP for General Bond Counsel Services to Increase the Monetary Cap**

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

**RESOLUTION NO. 5629**

**AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT (C100670) WITH HAWKINS DELAFIELD & WOOD LLP FOR GENERAL BOND COUNSEL SERVICES TO INCREASE THE MONETARY CAP**

RESOLVED, that the Executive Director be, and he hereby is, authorized to execute a First Amendment to the



**Item 8 by Ms. O’Conor (Appendix H)**

**Authorizing the Executive Director to Execute a First Amendment to the Agreement (C100670) with Hawkins, Delafield & Wood LLP for General Bond Counsel Services to Increase the Monetary Cap (Continued)**

Agreement (C100670) with Hawkins Delafield & Wood for general bond counsel services, such Amendment to be on such terms and conditions as the Executive Director and General Counsel determine to be in the best interests of the Authority, and be it further

**RESOLVED**, that such Amendment shall increase the maximum amount payable under such Agreement by \$500,000, from the current monetary cap of \$500,000, to a new monetary cap of \$1,000,000. Sufficient funds are available in the Legal Department’s professional services fund, and be it further

**RESOLVED**, that the Executive Director be, and he hereby is, authorized to exercise all powers reserved to the Authority under the provisions of the Agreement, manage and administer this Agreement, amend the provisions of the Agreement consistent with the terms of this Item and other Board authorizations and suspend, terminate or renew the Agreement in the best interests of the Authority, and be it further

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



**Item 9 by Ms. O’Conor and Mr. Bryan (Appendix I)**

**Approving the Twelfth Supplemental Resolution Authorizing the Issuance of General Revenue Bonds, Series H, Approving the Form of and Authorizing the Preparation, Execution and Delivery of the Preliminary Official Statement and Approving the Form of the Final Official Statement and the Form of the Bond Purchase Agreement for the Series H Bonds, Approving the Forms of and Authorizing the Execution of the Bond Purchase Agreement, Continuing Disclosure Agreement, the Escrow Agreement and Authorizing the Execution of Any Other Documents Necessary for the Sale, Issuance and Delivery of the Series H Bonds, Including Any Necessary Documentation Relating to the Refunding of Outstanding General Revenue Bonds and Authorizing the Selection of Certain Consultants and Agents Related to the Issuance of the Series H Bonds**

In advance of Ms. O’Conor’s presentation of the item and any associated discussion, Mr. Fleischer issued the following statement recusing Mr. Plunkett from any participation in this action. Mr. Plunkett left the room.

The Board members of the Thruway Authority and Canal Corporation have chosen to apply the highest possible standard to ensure that there is neither a conflict of interest, nor the appearance of a conflict of interest in any of the actions taken by the Board.

A matter is currently pending before the Board that involves the sale of General Revenue Bonds, Series H (“Series H”). Kevin Plunkett, a member of the Thruway Authority Board (the “Board”), has informed the Board and the Executive Director that he believes he should recuse himself from any vote pertaining to the Series H transaction because Mr. Plunkett has a relative employed by Raymond James, one of the underwriting firms on the transaction. In addition, in the interest of full disclosure, Mr. Plunkett has also advised that he has a relative at Citi, however, that relative is in an entry level analyst position and is not involved with Authority or New York State financings.

Mr. Plunkett will not participate in any discussion and will not vote on the Series H Transaction. Such recusal will also apply to any vote or any subsequent discussion concerning the Series H Transaction. Additionally, no confidential information concerning that matter has been or will be shared with Mr. Plunkett.

Ms. Crotty asked how much of the \$625 million in new money would be used to fund the multi-year capital plan. Mr. Bryan responded that it is expected to cover costs through the end of this year and most of next year. She then asked if the Authority had a policy for issuing refunding bonds that defined the terms of being “in



**Item 9 by Ms. O’Conor and Mr. Bryan (Appendix I)**

**Approving the Twelfth Supplemental Resolution Authorizing the Issuance of General Revenue Bonds, Series H (Continued)**

the best interests of the Authority.’’ Mr. Bryan explained that an interest rate of one percent or higher is considered to be in the best interests of the Authority. The current rate is expected to achieve significant savings. He added that the market condition may further improve this rate; however the rate won’t be determined until the bonds are actually priced.

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

**RESOLUTION NO. 5630**

**APPROVING THE TWELFTH SUPPLEMENTAL RESOLUTION FOR THE GENERAL REVENUE BONDS, SERIES H, APPROVING THE FORM OF AND AUTHORIZING THE PREPARATION, EXECUTION OR DELIVERY OF A PRELIMINARY OFFICIAL STATEMENT AND APPROVING THE FORM OF A FINAL OFFICIAL STATEMENT AND THE FORM OF THE BOND PURCHASE AGREEMENT FOR THE SERIES H BONDS, APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION OF THE BOND PURCHASE AGREEMENT, THE CONTINUING DISCLOSURE AGREEMENT, THE ESCROW AGREEMENT AND AUTHORIZING THE EXECUTION OF ANY OTHER DOCUMENTS NECESSARY FOR THE SALE, ISSUANCE AND DELIVERY OF THE SERIES H BONDS, INCLUDING ANY NECESSARY DOCUMENTATION RELATING TO THE REFUNDING OF OUTSTANDING GENERAL REVENUE BONDS AND AUTHORIZING THE SELECTION OF CERTAIN CONSULTANTS AND AGENTS RELATED TO THE ISSUANCE OF THE SERIES H BONDS**

**RESOLVED, in accordance with the New York State Thruway Act, as amended, Title 9 of Article 2 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State of New York (as amended, the “Act”), the**



**Item 9 by Ms. O’Conor and Mr. Bryan (Appendix I)**

**Approving the Twelfth Supplemental Resolution Authorizing the Issuance of General Revenue Bonds, Series H (Continued)**

Authority is authorized to issue its bonds, in such principal amount, as in the opinion of the Authority, shall be necessary to provide sufficient moneys for achieving the corporate purposes of the Authority, and be it further

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

**RESOLVED**, that there has been approved by the Board, on August 3, 1992, a General Revenue Bond Resolution (as amended and supplemented, the “Resolution”) which, consistent with the Act, authorizes bonds of the Authority, designated as “General Revenue Bonds” as direct and general 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, including the refunding thereof, and be it further

**RESOLVED**, that Sections 202, 204 and 205 of the Resolution require that the issuance of General Revenue Bonds by the Authority shall be authorized by a supplemental resolution or resolutions of the Authority adopted at or prior to the time of issuance, and be it further

**RESOLVED**, that there has been prepared and submitted to the Board a form of Twelfth Supplemental Revenue Bond Resolution Authorizing General Revenue Bonds, Series H (the “Series H Supplemental Resolution”), to provide sufficient funds to pay a portion of the cost of the Authority’s Multi-Year Capital Plan not to exceed \$625,000,000; including funds for deposit in the Reserve Maintenance Fund to pay Costs of Issuance relating to the Series H Bonds; to authorize the issuance of additional Series H Bonds to refund all or portions of one or more series of Outstanding Bonds in an amount not to exceed \$475,000,000, either simultaneously with the issuance of



**Item 9 by Ms. O’Conor and Mr. Bryan (Appendix I)**

**Approving the Twelfth Supplemental Resolution Authorizing the Issuance of General Revenue Bonds, Series H (Continued)**

Series H Bonds for new money purposes or any subsequent time prior to December 31, 2007 and, if necessary, to make a deposit to the Senior Debt Service Reserve Fund equal to the Senior Debt Service Reserve Fund Requirement, taking into account the Reserve Credit Facilities on deposit therein, upon the issuance of the Series H Bonds, and be it further

**RESOLVED**, that the Board approves the form of the Series H Supplemental Resolution as submitted to this meeting and made a part of this resolution as though set forth in full herein, and authorizes an Authorized Officer (as defined in the Resolution) to approve and execute such changes to the Series H Supplemental Resolution as may be deemed necessary or convenient to effectuate the purposes thereof, and be it further

**RESOLVED**, that the Authority intends to authorize the issuance, pursuant to the Resolution and the Series H Supplemental Resolution, of its General Revenue Bonds, Series H (the “Series H Bonds”), and be it further

**RESOLVED**, that the Authority intends to issue, in accordance with Sections 202, 204 and 205 of the Resolution and the Series H Supplemental Resolution, its Series H Bonds and to sell its Series H Bonds to the Underwriters (the “Underwriters”) pursuant to a Bond Purchase Agreement (the “Bond Purchase Agreement”), the form of which Bond Purchase Agreement has been set before the Board, and be it further

**RESOLVED**, that the Board approves the Bond Purchase Agreement in substantially the form submitted to this meeting and made a part of this resolution as though set forth in full herein, in the manner set forth in Section 301 of the Series H Supplemental Resolution and authorizes an Authorized Officer to execute and deliver such Bond



**Item 9 by Ms. O’Conor and Mr. Bryan (Appendix I)**

**Approving the Twelfth Supplemental Resolution Authorizing the Issuance of General Revenue Bonds, Series H (Continued)**

Purchase Agreement and to approve and execute such changes to such Bond Purchase Agreement as may be deemed necessary or convenient to effectuate the purposes thereof, and be it further

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

RESOLVED, that the Board authorizes the distribution of the Preliminary Official Statement relating to the Series H Bonds by an Authorized Officer, in substantially the same form submitted to this meeting with such changes, insertions and omissions to the Preliminary Official Statement as may be approved by an Authorized Officer, said distribution 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 H 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 authorizes an Authorized Officer to execute or deliver, on behalf of the Authority, a final Official Statement relating to the Series H Bonds in substantially the form of the Preliminary Official Statement submitted to this meeting, with such changes,



**Item 9 by Ms. O’Conor and Mr. Bryan (Appendix I)**

**Approving the Twelfth Supplemental Resolution Authorizing the Issuance of General Revenue Bonds, Series H (Continued)**

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. Any material changes from the Preliminary Official Statement approved pursuant to this resolution to be made in the final Official Statement which are not made pursuant to matters which are authorized to be determined pursuant to a Certificate of Determination (as defined in the Resolution) shall be distributed to members of the Authority for comments, if any, from such members prior to final printing. After execution, if appropriate, an Authorized Officer is hereby authorized to deliver to the purchasers of the Series H Bonds an executed copy or copies of such final Official Statement and any further amendments or supplements thereto, and be it further

**RESOLVED**, that prior to applying the proceeds of the Series H Bonds to any Facility (as defined in the Resolution), the Authority, with respect to such Facility, shall have complied with any applicable requirements of the State Environmental Quality Review Act (Article 8 of the Environmental Conservation Law) and any other applicable environmental laws or regulations, and be it further

**RESOLVED**, that the Board confirms and ratifies the continuation and selection of The Bank of New York, New York, New York as Trustee, Paying Agent and as escrow agent under the escrow agreement, and authorizes the selection of a verification agent with respect to any refunding bonds, 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 H Supplemental Resolution: (i) a Continuing



**Item 9 by Ms. O’Conor and Mr. Bryan (Appendix I)**

**Approving the Twelfth Supplemental Resolution Authorizing the Issuance of General Revenue Bonds, Series H (Continued)**

Disclosure Agreement in substantially the form submitted to this meeting, (ii) an Escrow Agreement and (iii) any additional agreements or other documents necessary or convenient to facilitate the sale of the Series H Bonds including but not limited to a tax certificate in a form approved by Bond Counsel to the Authority and any Credit Facility or Reserve Credit Facility deemed by an Authorized Officer to be in the best interests of the Authority, and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this resolution, and be it further

RESOLVED, that an Authorized Officer is authorized to make any determinations or appointments and to execute any additional certificates, agreements or other documents necessary to facilitate the authorization, sale, issuance and delivery of the Series H Bonds and the refunding of Outstanding Bonds (if appropriate) and to achieve the other purposes of this Resolution, including but not limited to agreements with securities depositories and documents relating to credit enhancement, and to do and cause to be done any and all acts and things necessary or proper to carry out the transactions contemplated by this Resolution, and be it further

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

**Item 10 by Ms. Riddett (Appendix J)**

**Authorizing the Executive Director or his Designee to Execute Two Contracts: One Contract with Keane, Inc., for \$150,000 to Improve the Infrastructure Inventory and Inspection System (IIS), and a Second Contract with Computer Technology Services for \$150,000 to Complete the Accident Reporting Management System (ARMS)**

Mr. Williams asked if the accident reporting system used by the State Police is compatible with the Authority’s system. Ms. Riddett advised that it will be upon implementation of the Authority’s Accident Reporting Management System. Major



**Item 10 by Ms. Riddett (Appendix J)**

**Authorizing the Executive Director or his Designee to Execute Two Contracts: One Contract with Keane, Inc., for \$150,000 to Improve the Infrastructure Inventory and Inspection System (IIS), and a Second Contract with Computer Technology Services for \$150,000 to Complete the Accident Reporting Management System (ARMS) (Continued)**

Beach added that the current State Police reporting system requires Troopers to manually enter information in the patrol car and then upload the information to its mainframe via a portable media device. Authority personnel enter the same information to a separate database. Implementation of the ARMS software will provide a link between the two systems thereby eliminating duplicative data entry.

Mr. Williams inquired if pavement data and inventory are manually input into the Authority's Infrastructure Inventory and Inspection System via hand-held devices. Mr. Bell responded affirmatively as to the inventory, but stated that pavement data is provided to the Authority on a CD.

Mr. Plunkett asked how the contract with Keane, Inc. compares with that of Collins, a contractor utilized by the Canal Corporation. Staff advised that although both contracts pertain to writing software for infrastructure inspections, the contract with Keane, Inc. pertains to highway and bridge infrastructure in contrast with the Collins contract which pertains to Canal infrastructure. Further, the Collins contract is a subcontract of an engineering construction inspection agreement. Mr. Williams and Mr. Plunkett inquired if the Canal inspection system is compatible with the Authority's and if there is coordination between the two. Mr. Bell responded, indicating that the Canal and Authority conduct different inspections and utilize different reporting systems; however potentially the two systems could be made compatible. Mr. Howard commented that completion of the system appears to be progressing a step at a time, with a different aspect being conducted each year and advised that the feasibility of integrating these systems be examined.

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

**RESOLUTION NO. 5631**

**AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO EXECUTE TWO CONTRACTS: ONE CONTRACT WITH KEANE, INC., FOR \$150,000 TO IMPROVE THE INFRASTRUCTURE INVENTORY AND INSPECTION SYSTEM (IIS), AND A SECOND**



**Item 10 by Ms. Riddett (Appendix J)**

**Authorizing the Executive Director or his Designee to Execute Two Contracts: One Contract with Keane, Inc., for \$150,000 to Improve the Infrastructure Inventory and Inspection System (IIS), and a Second Contract with Computer Technology Services for \$150,000 to Complete the Accident Reporting Management System (ARMS)**  
**(Continued)**

**CONTRACT WITH COMPUTER TECHNOLOGY SERVICES FOR \$150,000 TO COMPLETE THE ACCIDENT REPORTING MANAGEMENT SYSTEMS (ARMS)**

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**RESOLVED**, that the Executive Director, or his designee, be, and hereby is, authorized to execute two contracts: one contract with Keane, Inc., for an amount not to exceed \$150,000 to provide expertise and assistance to improve the ability of the Infrastructure Inventory and Inspection System to manage and employ bridge and highway related data, and a second contract with Computer Technology Services for an amount not to exceed \$150,000 to provide expertise and assistance to replace two legacy accident reporting systems with a new Accident Reporting Management System, upon such terms and conditions consistent with this item, and upon such other terms and conditions as the Executive Director determines to be in the best interests of the Authority, 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 contract, manage and administer the contract, amend the provisions of the contract consistent with other Board authorizations and suspend or terminate the contract in the best interest of the Authority, and be it further and

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



**Item 11 by Mr. Waite and Mr. Bryan (Appendix K)**  
**Authorizing Negotiation and Execution of Engineering Agreement D213726 with**  
**Stantec Consulting Services, Inc. for Consulting Services Relative to the Finance and**  
**Operation of the Thruway System**

Mr. Plunkett asked if it's possible that the consulting services will cost less than the \$800,000 maximum amount payable. Mr. Waite advised that it was possible, but unlikely. In response to Ms. Crotty's inquiry, staff confirmed that Stantec Consulting Services, Inc. was formerly Vollmer Associates. Ms. Crotty asked if the proposed work was in addition to the previous toll study. She was advised that these services are additional and unrelated. Chairman Buono requested Mr. Fleischer provide the Board Members with a copy of the presentation that was furnished at the recent meetings with representatives from Standard & Poors and Moody's Investors Service. Mr. Fleischer agreed to provide this material.

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

**RESOLUTION NO. 5632**

**AUTHORIZING NEGOTIATION AND EXECUTION OF  
ENGINEERING AGREEMENT D213726 WITH  
STANTEC CONSULTING SERVICES, INC. FOR  
CONSULTING SERVICES RELATIVE TO THE  
FINANCE AND OPERATION OF THE THRUWAY  
SYSTEM**

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**RESOLVED, that the Chief Engineer be, and hereby is, authorized to negotiate and execute engineering agreement D213726 with Stantec Consulting Services, Inc., 50 West 23<sup>rd</sup> Street, 8<sup>th</sup> Floor, New York, New York 10010, for consulting services relative to the Finance and Operation of the Thruway System for a term of four years, provided that the Maximum Amount Payable does not exceed \$800,000, and be it further**

**RESOLVED, that the Chief Engineer or his designees shall have the authority to exercise all powers reserved to the Authority under the provisions of the agreement, manage and administer the agreement, amend the provisions of the agreement consistent with the terms of this item and in accordance with the 2007 Contracts**



**Item 11 by Mr. Waite and Mr. Bryan (Appendix K)**  
**Authorizing Negotiation and Execution of Engineering Agreement D213726 with**  
**Stantec Consulting Services, Inc. for Consulting Services Relative to the Finance and**  
**Operation of the Thruway System (Continued)**

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

RESOLVED, that the Chief Financial Officer be, and he hereby is, authorized to charge expenditures for such project to the appropriate funds provided therefore, subject to reallocation and adjustment as determined by final audit of such charges, and be it further

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

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

**Item 12 by Mr. Waite (Appendix L)**  
**Authorizing Negotiation and Execution of Engineering Agreement D213704 with**  
**Nussbaumer & Clarke, Inc. for Construction Inspection Services Relative to TAN 07-**  
**52B, Rehabilitation of the South Grand Island Bridges in the Buffalo Division**

Ms. Crotty questioned why authorization for an inspection contract was being requested prior to the construction contract. Mr. Waite cited timing as the reason. Construction cannot begin without an inspection contract in place. Therefore, the Authority allows itself ample time for contract negotiation and approval relative to inspection services so that construction may begin as scheduled. Mr. Waite offered an affirmative response to Ms. Crotty's subsequent question that this is routine procedure.

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



**Item 12 by Mr. Waite (Appendix L)**

**Authorizing Negotiation and Execution of Engineering Agreement D213704 with Nussbaumer & Clarke, Inc. for Construction Inspection Services Relative to TAN 07-52B, Rehabilitation of the South Grand Island Bridges in the Buffalo Division (Continued)**

**RESOLUTION NO. 5633**

**AUTHORIZING NEGOTIATION AND EXECUTION OF ENGINEERING AGREEMENT D213704 WITH NUSSBAUMER & CLARKE, INC. FOR CONSTRUCTION INSPECTION SERVICES RELATIVE TO TAN 07-52B, REHABILITATION OF THE SOUTH GRAND ISLAND BRIDGES IN THE BUFFALO DIVISION**

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RESOLVED, that the Chief Engineer be, and hereby is, authorized to negotiate and execute engineering agreement D213704 with Nussbaumer & Clarke, Inc., 388 Central Avenue, Suite 310, Dunkirk, New York 14048, for construction inspection services relative to TAN 07-52B, Rehabilitation of the South Grand Island Bridges in the Buffalo Division, provided that the Maximum Amount Payable does not exceed \$2,900,000 which is currently provided through the 2007 Contracts Program (Items B326.1 and B530.1), and be it further

RESOLVED, that the Chief Engineer or his designees shall have the authority to exercise all powers reserved to the Authority under the provisions of the agreement, manage and administer the agreement, amend the provisions of the agreement consistent with the terms of this item and in accordance with the 2007 Contracts Program and other Board authorizations, and suspend or terminate the agreement in the best interests of the Authority, and be it further

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



**Item 12 by Mr. Waite (Appendix L)**

**Authorizing Negotiation and Execution of Engineering Agreement D213704 with Nussbaumer & Clarke, Inc. for Construction Inspection Services Relative to TAN 07-52B, Rehabilitation of the South Grand Island Bridges in the Buffalo Division (Continued)**

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

**Item 13 by Mr. Waite (Appendix M)**

**Approving Supplemental Agreement No. 4 to D212607 with TVGA Engineering, Surveying, P.C. for Design Services Relative to the Williamsville Toll Barrier Improvement Project and Allocating Funds Therefor**

Mr. Williams asked where the new site was located. Mr. Waite responded that it was at Milepost 414, just west of the three additional sites being considered. It has fewer wetland impacts, but has soil contamination and landfill issues and is close to a service area.

Mr. Howard inquired as to whether or not the expenses associated with the evaluation of this additional site would be 100 percent reimbursable by federal aid. Mr. Waite advised that costs incurred from tasks associated with this supplemental agreement will be 100 percent reimbursable; however, separate agreements pertaining to the final design and construction of the barrier will not be. Mr. Waite confirmed Mr. Plunkett's statement that this supplemental raises the total project cost to more than \$5 million and that this agreement requests Board approval of \$753,000.

Mr. Williams asked how the evaluation of the new site will affect the implementation of high speed E-ZPass at the Williamsville Toll Barrier. Mr. Waite reported that the schedule has not yet changed; implementation may occur in 2009. Mr. Williams suggested that Mr. Waite advise the U.S. Corp of Engineers of the Authority's target date for deployment and offer to complete any necessary tasks in order to keep the project moving forward.

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



**Item 13 by Mr. Waite (Appendix M)**

**Approving Supplemental Agreement No. 4 to D212607 with TVGA Engineering, Surveying, P.C. for Design Services Relative to the Williamsville Toll Barrier Improvement Project and Allocating Funds Therefor (Continued)**

**RESOLUTION NO. 5634**

**APPROVING SUPPLEMENTAL AGREEMENT NO. 4 TO D212607 WITH TVGA ENGINEERING, SURVEYING, P.C. FOR DESIGN SERVICES RELATIVE TO THE WILLIAMSVILLE TOLL BARRIER IMPROVEMENT PROJECT AND ALLOCATING FUNDS THEREFOR**

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RESOLVED, that the proposed Supplemental Agreement No. 4 to D212607 with TVGA Engineering, Surveying, P.C., One Thousand Maple Road, Elma, New York 14059, for design services relative to the Williamsville Toll Barrier Improvement Project, for an additional sum of \$753,000, be, and the same hereby is, approved, and be it further

RESOLVED, that an additional \$753,000 in 100% Federal High Priority Funds be allocated to this agreement (D212607) through the 2007 Contracts Program, and be it further,

RESOLVED, that the revised Maximum Amount Payable for this agreement (D212607) be \$5,283,000, and be it further

RESOLVED, that the Chief Engineer or his designees shall have the authority to exercise all powers reserved to the Authority under the provisions of the Supplemental Agreement, manage and administer the Supplemental Agreement, amend the provisions of the Supplemental Agreement consistent with the terms of this item and in accordance with the 2007 Contracts Program and other Board authorizations, and suspend or terminate the Supplemental Agreement in the best interests of the Authority, and be it further



**Item 13 by Mr. Waite (Appendix M)**

**Approving Supplemental Agreement No. 4 to D212607 with TVGA Engineering, Surveying, P.C. for Design Services Relative to the Williamsville Toll Barrier Improvement Project and Allocating Funds Therefor (Continued)**

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

**Item 14 by Mr. Waite (Appendix N)**

**Authorizing Extension of the Tappan Zee Bridge Project Labor Agreement**

Mr. Williams expressed opposition to this item by stating he does not support Project Labor Agreements (PLA) and is of the opinion that savings will not be realized. Mr. Plunkett asked if the projects involved totaled \$70 million and what the approximate amount of savings of this agreement would be. Mr. Waite responded affirmatively to the first question. He noted that \$5.4 million or approximately 11.5 percent savings is expected. Mr. Plunkett commented that the agreement applies to all 22 unions. Mr. Waite reported that no strikes or work stoppages have occurred since the PLA was implemented. Ms. O'Connor added that the Authority has used PLAs on all bridge projects since 1994.

After full discussion, on the motion of Mr. Conway, seconded by Mr. Plunkett, with one objection from Mr. Williams, the Board adopted the following resolution:

**RESOLUTION NO. 5635**

**AUTHORIZING EXTENSION OF THE TAPPAN ZEE BRIDGE PROJECT LABOR AGREEMENT**

**RESOLVED**, that LiRo Engineering, Inc. is authorized to amend the Project Labor Agreement to expand the scope and extend the term to cover the Tappan Zee Bridge Steel Repair and Infrastructure Repair contracts ("Projects") in the 2005-2011 Capital Program let through December 31, 2011, and be it further

**RESOLVED**, that the Executive Director and the Chief Engineer are authorized and directed to take such necessary action as is required to insure that the work included in the Projects is carried out in accordance with the terms of the Project Labor Agreement as amended, and be it further



**Item 14 by Mr. Waite (Appendix N)**

**Authorizing Extension of the Tappan Zee Bridge Project Labor Agreement (Continued)**

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

**Item 15 by Michael Anderson, P. E. (NYSDOT) (Appendix O)**

**Authorizing Additional Funding for D213122 for the I-287/Tappan Zee Bridge Corridor Study Office in Tarrytown, New York and Other Study Expenses**

The Board expressed opposing viewpoints relative to the proposed office space. All Board Members favored the concept of having an office in the vicinity of the Tappan Zee Bridge; they concurred that an appropriate site would provide accessibility to the involved partners, which is necessary to promote efficient coordination. They also agreed that it is important to have the support of the local community and the elected officials in which the project resides and having a local office would foster public relations between the involved agencies and the community.

The size and cost of the space raised concerns among several Board Members. Ms. Crotty and Messrs. Plunkett and Williams in particular expressed the opinion that the size of the space was excessive for the amount of staff it is intended to house. Mr. Anderson advised that the space would accommodate 18 employees, two of which would be Authority personnel (although this number may increase if appropriate) as well as a community outreach area.

The cost of the lease was also cited as a concern. Ms. Crotty and Mr. Plunkett proposed the alternative of utilizing existing State-owned or leased office space and suggested enlisting the assistance of the county executives or the New York State Office of General Services (NYSOGS) to identify potential sites. Ms. Crotty favored standardization in the selection of office space. She added that the NYSOGS has expertise in the area of identifying space and negotiating leases and it would behoove the Authority to involve the NYSOGS in order to get the most cost-effective price. When asked if State property could be examined for this purpose, Mr. Anderson responded that although the assistance of NYSOGS could be solicited, it has been his experience that the process could be time consuming and that a consultant agreement for the proposed transaction has already been approved by the New York State Division of the Budget. Ms. Crotty commented that the Authority is currently experiencing revenue shortfalls and, as such, should examine all expenditures for potential savings opportunities. She acknowledged the Authority's role in the Memorandum of Agreement and indicated that the Authority should pay its



**Item 15 by Michael Anderson, P. E. (NYSDOT) (Appendix O)**  
**Authorizing Additional Funding for D213122 for the I-287/Tappan Zee Bridge**  
**Corridor Study Office in Tarrytown, New York and Other Study Expenses**  
**(Continued)**

proportionate share.

Mr. Conway, in contrast, supported the transaction. He noted that various problems have plagued this project and it is crucial, both symbolically and pragmatically, to have the involved agencies in close physical proximity to one another and to the project location in order to enhance communication and coordination. Mr. Fleischer advised that there is a perceived disconnect between the planning of the project and the community's involvement; the community does not feel it is involved. Having an onsite office that is open to the public would improve community relations. The selected location would not only elicit public involvement but improve communication among the agencies. The coordination efforts that the Authority is trying to foster could be negated if the office is not strategically located. Chairman Buono noted that in a comparison between the total project cost and the amount being requested for the lease, that the cost of the lease seems very reasonable. Mr. Conway concurred.

Mr. Plunkett disagreed with this analysis, and although he respected the purpose and need for the office location, favored the evaluation of more cost-effective alternatives. He voiced the concern that the community may be potentially impacted by this transaction in the form of a tax increase. Mr. Williams encouraged the use of State property, advising that he has never experienced government space used and then taken back. He agreed to support the proposed lease if he could be guaranteed that more space would not be required in the next year in order to house more people.

Ms. Crotty inquired as to when the Environmental Impact Statement (EIS) would be completed. Mr. Anderson advised that the EIS needs to be modified and reviewed and is expected to be updated in mid-October. Completion is dependent upon other milestones such as the issuance of a Draft EIS and Record of Decision as well as the outcomes of public hearings.

When asked by Chairman Buono if the Metropolitan Transportation Authority (MTA) supported the proposed lease, Mr. Anderson responded affirmatively. Chairman Buono commented that historically the Authority has taken action to progress the project. He did not want the Authority to delay further activity and wanted this sentiment expressed to the New York State Department of Transportation and the MTA.



**Item 15 by Michael Anderson, P. E. (NYSDOT) (Appendix O)**  
**Authorizing Additional Funding for D213122 for the I-287/Tappan Zee Bridge**  
**Corridor Study Office in Tarrytown, New York and Other Study Expenses**  
**(Continued)**

Mr. Williams questioned the necessity of 6,100 square feet to accommodate eighteen staff members and a community outreach center. Ms. Crotty and Mr. Plunkett suggested setting up a public relations office at a separate location, potentially in a location at which public meetings already convene.

After full discussion, on the motion of Mr. Conway, seconded by Mr. Howard and Chairman Buono, with objections from Mr. Williams, Ms. Crotty and Mr. Plunkett the resolution was not approved.

Mr. Howard proposed amending the resolution to limit the approval to an initial two-year term. The Board would consider an extension upon preparation and review of a detailed study that evaluates the use of alternative space. He added that 6,100 square feet would be the maximum space considered. Chairman Buono supported this amendment and asked for a vote on the amended resolution.

On the motion of Mr. Conway, seconded by Mr. Howard and Chairman Buono, with objections from Mr. Williams, Ms. Crotty and Mr. Plunkett the amended resolution was not approved.

Chairman Buono directed Mr. Anderson to work with various local and state agencies to explore alternative sites and to provide further details on the use of this or any other site and return to the Board with this information.

**Item 16 by Donald Bell (Appendix P)**  
**Authorizing the Executive Director to Execute an Agreement with the New York State**  
**Department of Transportation (“DOT”) for the Maintenance and Operation of**  
**Interstate I-84 (I-84) on Behalf of DOT and Authorizing the Executive Director to**  
**Execute an Agreement with the New York State Division of State Police for Troop T to**  
**Provide Services on I-84**

Mr. Bell clarified for Mr. Plunkett that the term of each contract was one year. Mr. Howard asked if it is intended for extensions to be approved year by year. Ms. O’Conor responded, advising that additional statutory authorizations will be required beyond one year. Staff affirmed Ms. Crotty’s inquiry that the funding that was appropriated in the agreement does not include funding for State Police Troop T expenses. Mr. Fleischer advised that a separate contract will need to be



**Item 16 by Donald Bell (Appendix P)**

**Authorizing the Executive Director to Execute an Agreement with the New York State Department of Transportation (“DOT”) for the Maintenance and Operation of Interstate I-84 (I-84) on Behalf of DOT and Authorizing the Executive Director to Execute an Agreement with the New York State Division of State Police for Troop T to Provide Services on I-84 (Continued)**

negotiated with the State Division of Budget relative to those expenses; funding will be reimbursed on a charge-back basis from the State Police budget.

Mr. Williams asked Major Beach if the State Police supported the continued patrol of I-84. Major Beach replied that the State Police are committed to maintaining the current system. State Police management supported this arrangement, and is committed to upholding the cohesive relationship between the Authority and State Police relative to Thruway operations.

In response to Mr. Howard’s question if the amount of the proposed funding was adequate, Mr. Bell noted it was based on a historical perspective.

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

**RESOLUTION NO. 5636**

**AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT WITH THE NEW YORK STATE DEPARTMENT OF TRANSPORTATION (“DOT”) FOR THE MAINTENANCE AND OPERATION OF INTERSTATE 84 (“I-84”) ON BEHALF OF DOT AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT WITH THE NEW YORK STATE DIVISION OF STATE POLICE FOR TROOP T TO PROVIDE SERVICES ON I-84**

**RESOLVED, that the Executive Director be, and hereby is, authorized to execute an agreement with DOT for the maintenance and operation of I-84 in substantially the same form and under the same terms and conditions as the draft agreement attached hereto as Exhibit D and made a part hereof, and be it further**



**Item 16 by Donald Bell (Appendix P)**

**Authorizing the Executive Director to Execute an Agreement with the New York State Department of Transportation (“DOT”) for the Maintenance and Operation of Interstate I-84 (I-84) on Behalf of DOT and Authorizing the Executive Director to Execute an Agreement with the New York State Division of State Police for Troop T to Provide Services on I-84 (Continued)**

**RESOLVED**, that the Executive Director be, and hereby is, authorized to execute an agreement with State Police for Troop T to provide services on I-84 in substantially the same form and under the same terms and conditions as the draft agreement attached hereto as Exhibit E and made a part hereof, 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 interests of the Authority, and be it further

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

**Adjournment**

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

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**Jill B. Warner**  
Secretary

On the motion of Mr. Howard, seconded by Ms. Crotty, the Board voted to convene to Executive Session to discuss matters leading to the appointment of a corporation.

