



MINUTES

NEW YORK STATE THRUWAY AUTHORITY

BOARD MEETING NO. 663

December 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 10:02 a.m.

There were present:

John L. Buono, Chairman
Nancy E. Carey Cassidy, Vice Chair
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 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
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
Betsy Graham, Acting Director, Office of Public Affairs
Peter Casper, Assistant Counsel
Liz Yanus, Office Manager, Office of the Deputy Chief of Staff
Dorraine Steele, Director, Office of Fiscal Audit and Budget
Richard Garrabrant, Division Director, Syracuse Division
Ken Flood, Director, Office of Real Property Management
Major Robert Meyers, Troop T

Also in Attendance:

Stanley Kramer, Bond Counsel, Hawkins Delafield & Wood, LLP
Cathy Woodruff, Reporter, *Albany Times Union*
Bob Connor, Reporter, *Daily Gazette*
Karen DeWitt, Reporter, NYS Public Radio
Joe Spector, Reporter, *Gannett News Service*
Karl Diehl, Production Coordinator, NYN
Michael Flynn, Former Employee
George Tanner, Former Employee
Angela Rodell, SVP, First Southwest
Steve Kantor, MD, First Southwest
Phil Ferguson, NYS Department of Transportation
Morgan Hook, WRGB/CBS 6
Ed Curley, WRGB/CBS 6

Chairman Buono noted that he, Ms. Carey Cassidy, 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.



Item 1 Ms. Warner (Appendix A)
Minutes of Meeting No. 662

On the motion of Mr. Plunkett, seconded by Mr. Conway, without any objections, the Board approved the minutes of Meeting No. 662 held on September 19, 2007, which were made available to the Board Members as part of the Agenda.

Chairman Buono introduced and welcomed New York State Police Major Robert Meyers, Commander of Troop T. Major Meyers is replacing Major George Beach, who was promoted to Staff Inspector.

Item 2 by Chairman Buono (Appendix B)
Recognizing and Honoring George Tanner

On behalf of the Board, Authority staff and the public, Chairman Buono wished Mr. Tanner the best in his retirement.

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

RESOLUTION NO. 5637
RECOGNIZING AND HONORING GEORGE TANNER

WHEREAS, George Tanner has been employed by the New York State Thruway Authority since 1983, and

WHEREAS, Mr. Tanner throughout his career has provided meritorious service to the New York State Thruway Authority and the State of New York, and

WHEREAS, Mr. Tanner has a long and distinguished record of public service including serving as the New York State Thruway Authority's representative to the International Bridge, Tunnel and Turnpike Association (IBTTA) including service as a member of IBTTA's Editorial Advisory Board for its publication, *Tollways*, as well as serving a term as the Chair of the IBTTA's Maintenance Committee, and



Item 2 by Chairman Buono (Appendix B)
Recognizing and Honoring George Tanner (Continued)

WHEREAS, Mr. Tanner was instrumental in developing the Authority's innovative Aesthetic Services, Selected Improvements, Signage and Security Trash (ASSISST) Program, and

WHEREAS, under Mr. Tanner's direction, the Authority's Sign Shop produced a record 130,000 square feet of signs in 1991; a productivity record that still stands today, and

WHEREAS, Mr. Tanner oversaw the systematic coordination of the Authority's Computerized Maintenance data systems through the development and implementation of the Maintenance Management System (MMS) and the Labor Allocation Module (LAM) used to plan maintenance work, allocate resources and analyze maintenance data for management reports, now, therefore, be it

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

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

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

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



Item 3 by Chairman Buono (Appendix C)
Recognizing and Honoring Michael Flynn

Chairman Buono announced that Mr. Flynn, Director of Audit and Management Services, would resign effective January 2, 2008 to assume the office of County Clerk in Greene County. Chairman Buono wished Mr. Flynn good luck in his new position.

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

RESOLUTION NO. 5638
RECOGNIZING AND HONORING MICHAEL FLYNN

WHEREAS, Michael Flynn has been employed by the New York State Thruway Authority since 2000, and

WHEREAS, Mr. Flynn in his position of Director of Audit and Management Services has provided meritorious service to the New York State Thruway Authority and the New York State Canal Corporation, and

WHEREAS, Mr. Flynn's meritorious and distinguished service record includes numerous firsts and achievements including establishing the Authority/Corporation's first Fraud, Waste or Abuse Hotline to enable callers to help the Authority/Corporation maintain the highest standards of integrity and efficiency, developing the Authority/Corporation's Whistleblower Policy to protect employees who make good faith reports of fraud, waste or abuse, serving as the Authority/Corporation's first designated Procurement Integrity Officer ensuring that no inappropriate lobbying influenced Authority/Corporation procurement decisions, developing enhanced security measures for Authority Administrative Headquarters including the issuance of photo ID's to all employees, developing processes and controls to provide for the security of the Tappan Zee Bridge, a designated infrastructure of national significance, and conducting numerous confidential investigations to



Item 3 by Chairman Buono (Appendix C)
Recognizing and Honoring Michael Flynn (Continued)

provide managers with accurate information upon which to take appropriate action, now, therefore, be it

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

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

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

Item 4 by Chairman Buono (Appendix D)
Recognizing and Honoring George P. Beach II

Mr. Fleischer reported that Mr. Beach was unavailable to attend the meeting due to his required attendance at New York State Police training.

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

RESOLUTION NO. 5639
RECOGNIZING AND HONORING GEORGE P. BEACH
II

WHEREAS, Inspector Beach has been Commander of State Police Troop T at the New York State Thruway Authority since August 14, 2001, and

WHEREAS, Inspector Beach has provided meritorious and distinguished service to the New York State Thruway Authority and Canal Corporation, now, therefore be it



Item 4 by Chairman Buono (Appendix D)
Recognizing and Honoring George P. Beach II (Continued)

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

RESOLVED, that the Thruway Authority Board hereby extends to Inspector Beach its thanks and appreciation for his many contributions to the mission of the Authority and for his support of the Board and Staff in their respective activities and programs, and be it further

RESOLVED, that the Thruway Authority Board hereby extends to Inspector Beach its best wishes for continued success in his distinguished career with the New York State Police, and be it further

RESOLVED, that a copy of this resolution be presented to Inspector Beach and be incorporated in full in the minutes of this meeting

Report to the Board by 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 November 8, 2007 meeting. The Committee approved the following for Board action: the proposed multi-year financial plan that includes a proposed toll adjustment; the revised 2007 financial plan; the 2008 Thruway and Canal budgets; the 2008 Thruway and Canal Contracts Programs; the Local Highway and Bridge Service Contract (CHIPS) Refunding Bonds Series 2008 not to exceed \$300 million; and the designation of a pool of qualified investment banking firms to serve as swap counterparties for a potential forward starting swap in connection with the issuance of 2009 General Revenue Bonds. In addition, the Committee approved the scope of services for the 2007 Financial Statement Audit, Concessions Review and Single Audit to be performed by UHY; and accepted the 2006 UHY Concessionaire Report and periodic reports submitted to the Office of the State Inspector General.



Item 5 by Mr. Fleischer (Appendix E)

Report to Thruway Authority Board for Personal Service Contracts Up to \$150,000 for the Period July 1, 2007 through September 30, 2007

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

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

Item 6 by Mr. Bryan (Appendix F)

Financial Reports – August, September and October 2007

Mr. Bryan reported that the Authority collected \$490.5 million in revenue in the first ten months of 2007, which was \$11.4 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 poor 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 real estate income and rental income received from restaurant concessionaires.

Revenues are also projected to be 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 \$12.6 million or 2.5 percent below what was estimated in the plan. While toll collections were \$18.1 million below the estimate through October, interest earnings and sundry revenue are about \$2.6 and \$2.9 million above the Budget estimate, respectively.

On the expense side, total operating expenses were \$325 million for the first ten months of 2007, which was \$3.7 million or 1.1 percent above expenses for the same period in 2006. Compared to the Authority's budget, total operating expenses came in \$15.6 million or 4.6 percent below the estimate – which highlights the success of the ongoing cost containment program here at the Authority.

Noting a 2.5 percent revenue decline in the first ten months, Ms. Crotty asked if the gap will be covered through reductions in operational expenses. Mr. Bryan responded that positions were remaining vacant; projects were being delayed and cancelled; and employee travel reduced to offset the revenue shortfall. In response to Mr. Williams' inquiry of whether or not the Authority had received compensation for



Item 6 by Mr. Bryan (Appendix F)
Financial Reports – August, September and October 2007 (Continued)

the removal of tolls at the Black Rock and City Line Barriers, Mr. Bryan advised that all anticipated funds had been received. Ms. Carey Cassidy asked if these funds were State or Federal, to which Mr. Bryan responded that the funds were from the State, but some were Federal funds that were attached to the Interchange 17 project which would not have otherwise been received.

Following discussion regarding the financial condition of the Authority, on the motion of Mr. Williams, seconded by Mr. Plunkett, without any objections, the Board accepted the Financial Reports for the months August, September and October of 2007.

Item 7 by Mr. Fleischer (Appendix G)
Authorizing Negotiation and Execution of an Agreement with New York State Department of Transportation to Receive Additional Federal Aid for Certain Projects and to Provide Additional Authority Funding for the Tappan Zee Bridge/I-287 Corridor Environmental Study

Mr. Fleischer confirmed for Mr. Plunkett that the amount of Federal funding provided by the New York State Department of Transportation (NYSDOT) is equivalent to the amount of funding that the Authority will invest in the Tappan Zee Bridge/I-287 Corridor Environmental Study on behalf of the NYSDOT.

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

RESOLUTION NO. 5640

AUTHORIZING NEGOTIATION AND EXECUTION OF AN AGREEMENT WITH NEW YORK STATE DEPARTMENT OF TRANSPORTATION TO RECEIVE ADDITIONAL FEDERAL AID FOR CERTAIN PROJECTS AND TO PROVIDE ADDITIONAL AUTHORITY FUNDING FOR THE TAPPAN ZEE BRIDGE/I-287 CORRIDOR ENVIRONMENTAL STUDY

RESOLVED, that the Executive Director be, and hereby is, authorized to negotiate and execute an agreement with the New York State Department of Transportation (NYSDOT) to receive \$5,246,667 in Federal aid for the



Item 7 by Mr. Fleischer (Appendix G)

Authorizing Negotiation and Execution of an Agreement with New York State Department of Transportation to Receive Additional Federal Aid for Certain Projects and to Provide Additional Authority Funding for the Tappan Zee Bridge/I-287 Corridor Environmental Study (Continued)

Authority/Corporation's share of contracts D259852, Rehabilitation of the Ingersoll Road and Washington Street Lift Bridges, and D259737, Rehabilitation of Scajaquada Expressway Ramp Bridge to I-190 Thruway Southbound and I-190 Thruway Northbound Ramp Bridge to Scajaquada Expressway, and upon receipt of this Federal aid, the Authority will then deposit \$5,246,667 into the Tappan Zee Bridge/I-287 Corridor Environmental Study account with the Office of the State Comptroller to be used by the NYSDOT to cover its share of the Study costs (up to \$5,246,667), and be it further

RESOLVED, that there is sufficient funding for this agreement in the 2008 Contracts Program, and be it further

RESOLVED, that the Executive Director 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 2008 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 this resolution be incorporated in the minutes of this meeting



Item 8 by Mr. Fleischer (Appendix H)

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

Mr. Plunkett noted that he had expressed concerns with this Item at the previous Board meeting and thanked staff for providing thorough and satisfactory answers. Ms. Crotty and Mr. Williams echoed this sentiment, advising that they, too, previously had issues and questions which have since been satisfied. Chairman Buono thanked staff for providing the additional information.

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

RESOLUTION NO. 5641

AUTHORIZING ADDITIONAL FUNDING FOR D213122 FOR THE TAPPAN ZEE BRIDGE/I-287 CORRIDOR ENVIRONMENTAL STUDY PROJECT OFFICE IN TARRYTOWN, NEW YORK AND OTHER STUDY EXPENSES

RESOLVED, that an additional \$621,666.67 in Authority funding be provided for the proposed Supplemental Agreement No. 4 to D213122 between the New York State Department of Transportation and DMJM+Harris, Inc., 605 Third Street, New York, New York 10158, for the establishment of a Tappan Zee Bridge/I-287 Corridor Environmental Study (Study) office in Tarrytown, NY and other design services for the Study, be, and the same hereby is, approved, and be it further

RESOLVED, that an additional \$103,608 in Authority funds is available for D213122 from bid savings and other adjustments made to the 2007 Contracts Program, and be it further

RESOLVED, that \$310,842.67 in Authority funds for D213122 is provided for in the 2008 Contracts Program, and be it further



Item 8 by Mr. Fleischer (Appendix H)

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

RESOLVED, that \$207,216 in Authority funds for D213122 will be provided for in the 2009 Contracts Program, and be it further

RESOLVED, that the Executive Director, or his designee, be, and hereby is, authorized to make payment to the Office of the State Comptroller in the amount of \$621,666.67, and be it further

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

Item 9 by Mr. Bryan (Appendix I)

Investment Transactions

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

Item 10 by Mr. Bryan (Appendix J)

Authorizing the Designation of Qualified Investment Banking Firms to Serve as Swap Counterparties for a Potential Forward Starting Swap in Connection with the Issuance of the Authority's General Revenue Bonds, Scheduled to Take Place in 2009

Ms. Crotty asked if it was standard operating procedure to make awards according to the pro-rated percentages for a forward starting swap of this magnitude. Mr. Bryan responded affirmatively, advising that it was the recommendation of staff to award a larger share of the hedge transaction to the firm providing the best rate to the Authority. He added that it was subject to change, and that this transaction will come back to the Board for review.

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



Item 10 by Mr. Bryan (Appendix J)

Authorizing the Designation of Qualified Investment Banking Firms to Serve as Swap Counterparties for a Potential Forward Starting Swap in Connection with the Issuance of the Authority's General Revenue Bonds, Scheduled to Take Place in 2009 (Continued)

RESOLUTION NO. 5642

AUTHORIZING THE DESIGNATION OF QUALIFIED INVESTMENT BANKING FIRMS TO SERVE AS SWAP COUNTERPARTIES FOR A POTENTIAL FORWARD STARTING SWAP IN CONNECTION WITH THE ISSUANCE OF THE AUTHORITY'S GENERAL REVENUE BONDS, SCHEDULED TO TAKE PLACE IN 2009

RESOLVED, that the Board authorizes the designation of Bear, Stearns & Co. Inc./Bear Stearns Financial Products Inc., Citigroup Global Markets Inc/Citibank, N.A. and Morgan Stanley & Co. Incorporated/Morgan Stanley Capital Services Inc. (and related entities or affiliates) to the counterparty pool, from which firms may be selected to serve as counterparties to the Authority for a 2009 hedge transaction, and the same hereby is approved; and be it further

RESOLVED, that Authority staff are authorized to negotiate master swap agreements, substantively in the form that was attached to the counterparty RFP, with the counterparties listed above; and be it further

RESOLVED, that Authority staff are authorized to solicit bids from the counterparties listed above at the appropriate time to be determined based upon market conditions and in consultation with the Authority's financial advisor for the 2009 hedge transaction; and be it further

RESOLVED, that Authority staff shall prepare the necessary documents for the 2009 hedge transaction to be presented to the Board at a future meeting at which time the Board will be requested to consider the authorization of the specific transaction, including authorization to accept the



Item 10 by Mr. Bryan (Appendix J)

Authorizing the Designation of Qualified Investment Banking Firms to Serve as Swap Counterparties for a Potential Forward Starting Swap in Connection with the Issuance of the Authority's General Revenue Bonds, Scheduled to Take Place in 2009 (Continued)

bids submitted by the counterparties and authorization for the 2009 bond sale, and approval of the related documents; and be it further

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

Item 11 by Mr. Bryan (Appendix K)

Approval to Renew a Lease Agreement for Real Property Used as the Authority's Selkirk Maintenance Facility, Located in the Albany Division at 1273 River Road in the Town of Bethlehem, County of Albany

Mr. Howard commented that the rent is divided by the square footage of the 10,000 square foot building, but questioned if it applies to the entire site that includes the building and associated property. Mr. Bryan responded affirmatively. Chairman Buono asked if the Greene County Industrial Development Agency ("GCIDA") has requested that the Authority do anything concerning the Cossackie exit. Mr. Fleischer responded that the project is currently progressing through a public review that includes the examination of another exit to the north with direct access to the GCIDA proposed development site. A review of the environmental process may recommend that the project be modified; however no formal action has been requested.

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

RESOLUTION NO. 5643

APPROVAL TO RENEW A LEASE AGREEMENT FOR REAL PROPERTY USED AS THE AUTHORITY'S SELKIRK MAINTENANCE FACILITY, LOCATED IN THE ALBANY DIVISION AT 1273 RIVER ROAD IN THE TOWN OF BETHLEHEM, COUNTY OF ALBANY

RESOLVED, that a lease-renewal agreement ("Agreement") with Finke Enterprises, LLC for real property used as the Selkirk Maintenance Facility, on the



Item 11 by Mr. Bryan (Appendix K)

Approval to Renew a Lease Agreement for Real Property Used as the Authority's Selkirk Maintenance Facility, Located in the Albany Division at 1273 River Road in the Town of Bethlehem, County of Albany (Continued)

terms contained in this agenda item, and on such other terms as may be deemed to be in the best interest of the Authority and consistent with this item as determined by the Executive Director, be, and the same hereby is, authorized, and be it further

RESOLVED, that the Executive Director, or his designee, be, and the same hereby is, authorized to execute the Agreement, along with all other documents necessary to effectuate such execution in accordance with the terms authorized during this meeting; and be it further

RESOLVED, that the Executive Director, or his designee, shall have the authority to: exercise all powers reserved to the Authority under the provisions of the Agreement, manage and administer the Agreement, amend the provisions of the Agreement consistent with the terms of this item and other applicable Board authorizations, and suspend, cancel and/or terminate the Agreement as he deems to be in the best interests of the Authority; and be it further

RESOLVED, that the recommendation for issuance of a Negative Declaration (the "Recommendation") based on an environmental assessment of the proposed action completed in accordance with the provisions of the State Environmental Quality Review Act ("SEQRA"), be, and hereby is approved; and be it further

RESOLVED, that the Chief Engineer, or his designee, be, and the same hereby is, authorized to execute the SEQRA Short Environmental Assessment Form and Negative Declaration in accordance with the Recommendation, and to distribute any required documents on behalf of the Board relative to such adoption; and be it further



Item 11 by Mr. Bryan (Appendix K)

Approval to Renew a Lease Agreement for Real Property Used as the Authority's Selkirk Maintenance Facility, Located in the Albany Division at 1273 River Road in the Town of Bethlehem, County of Albany (Continued)

RESOLVED, that the Authority's Contracting Officer determined that the transaction recommended in this agenda item complies with applicable law, and with the Thruway Real Property Management Policy; and be it further

RESOLVED, that the Executive Director, the Chief Engineer, the Chief Financial Officer, and the General Counsel be, and the same hereby are, authorized to take all steps necessary to implement this Board action; and be it further

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

Item 12 by Mr. Bryan and Ms O'Connor (Appendix L)

Approving the Sixteenth Supplemental Local Highway and Bridge Special Limited Obligation Service Contract Resolution Authorizing an Amount not to Exceed \$300,000,000 of Local Highway and Bridge Service Contract Refunding Bonds, Series 2008 (the "Series 2008 Refunding Bonds"), and Approving the Form of and Authorizing the Distribution and Use of the Preliminary Official Statement and the Official Statement, Approving the Execution of the 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 2008 Refunding Bonds, and Appointing a Trustee for the Series 2008 Refunding Bonds

Mr. Williams requested affirmation that the Authority is not receiving revenues from the State in order to conduct State financing. Ms. O'Connor confirmed this statement, advising that only reimbursement funding for Authority expenses is being received.

Ms. Carey Cassidy acknowledged that although her sister is employed by Goldman Sachs she has no involvement in the issuance of this deal. However, for the purpose of propriety, Ms. Carey Cassidy recused herself and physically left the room.



Item 12 by Mr. Bryan and Ms. O’Conor (Appendix L)

Approving the Sixteenth Supplemental Local Highway and Bridge Special Limited Obligation Service Contract Resolution Authorizing an Amount not to Exceed \$300,000,000 of Local Highway and Bridge Service Contract Refunding Bonds, Series 2008 (Continued)

Ms. Crotty asked what the approximate amount of savings expected is. Mr. Bryan stated that if the Authority were to size the transaction today, approximately \$170 million in savings would be realized. Bond proceeds savings today would be about \$9.8 million, which is nearly six percent, making it an opportune time to conduct this transaction. However, the market has been fickle so it is difficult to predict what the price will be in February.

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

RESOLUTION NO. 5644

APPROVING THE SIXTEENTH SUPPLEMENTAL LOCAL HIGHWAY AND BRIDGE SPECIAL LIMITED OBLIGATION SERVICE CONTRACT RESOLUTION AUTHORIZING AN AMOUNT NOT TO EXCEED \$300,000,000 OF LOCAL HIGHWAY AND BRIDGE SERVICE CONTRACT REFUNDING BONDS, SERIES 2008 (THE “SERIES 2008 REFUNDING BONDS”), AND APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION AND USE OF THE PRELIMINARY OFFICIAL STATEMENT AND THE OFFICIAL STATEMENT, APPROVING THE EXECUTION OF THE 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 2008 REFUNDING BONDS, AND APPOINTING A TRUSTEE FOR THE SERIES 2008 REFUNDING BONDS

RESOLVED, that on August 23, 1991 the Board adopted a Local Highway and Bridge Special Limited



Item 12 by Mr. Bryan and Ms. O’Conor (Appendix L)

Approving the Sixteenth Supplemental Local Highway and Bridge Special Limited Obligation Service Contract Resolution Authorizing an Amount not to Exceed \$300,000,000 of Local Highway and Bridge Service Contract Refunding Bonds, Series 2008 (Continued)

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 Local Highway and Bridge Service Contract Bonds (the “Bonds”) in order to finance the costs of the Projects authorized by law; and be it further

RESOLVED, that Sections 202, 203 and 205 of the Service Contract Resolution require that the issuance by the Authority of 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 Sixteenth Supplemental Local Highway and Bridge Special Limited Obligation Service Contract Bond Resolution Authorizing an Amount Not to Exceed \$300,000,000 of Local Highway and Bridge Service Contract Bonds, Series 2008 (the “Sixteenth Supplemental Resolution”), to refund certain Local Highway and Bridge Service Contract Bonds, on terms



Item 12 by Mr. Bryan and Ms. O’Conor (Appendix L)

Approving the Sixteenth Supplemental Local Highway and Bridge Special Limited Obligation Service Contract Resolution Authorizing an Amount not to Exceed \$300,000,000 of Local Highway and Bridge Service Contract Refunding Bonds, Series 2008 (Continued)

satisfactory to the Authority and the State (the Series 2008 Refunding Bonds); and be it further

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

RESOLVED, that the Authority intends to (i) issue the Series 2008 Refunding Bonds prior to March 31 2008, pursuant to the Service Contract Resolution, the Sixteenth Supplemental Resolution and a Series Certificate, and (ii) sell the Series 2008 Refunding Bonds pursuant to 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 2008 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 distribution and use, and (iii) authorizes the Chairman or an Authorized Officer to approve and execute such changes, insertions and omission 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 2008 Refunding Bonds is deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, except for



Item 12 by Mr. Bryan and Ms. O’Conor (Appendix L)

Approving the Sixteenth Supplemental Local Highway and Bridge Special Limited Obligation Service Contract Resolution Authorizing an Amount not to Exceed \$300,000,000 of Local Highway and Bridge Service Contract Refunding Bonds, Series 2008 (Continued)

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 Sixteenth Supplemental Resolution and authorizes the Chairman, or other Authorized Officer as set forth in the Sixteenth 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 2008 Refunding Bonds, the Board authorizes the distribution and use of the Official Statement and delegates to the Chairman or other Authorized Officer of the Authority authorization to execute the Official Statement relating to the Series 2008 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

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 Sixteenth 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 one or more Escrow Deposit Agreements and any additional agreements



Item 12 by Mr. Bryan and Ms. O’Conor (Appendix L)

Approving the Sixteenth Supplemental Local Highway and Bridge Special Limited Obligation Service Contract Resolution Authorizing an Amount not to Exceed \$300,000,000 of Local Highway and Bridge Service Contract Refunding Bonds, Series 2008 (Continued)

or other documents necessary or desirable to facilitate the sale and delivery of the Series 2008 Refunding Bonds issued by the Authority, 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 2008 Refunding Bonds, and be it further

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

Chairman Buono commended Mr. Bell and Authority staff for maintaining favorable road conditions following the recent snow storms.

Item 13 by Mr. Bell (Appendix M)

Authorizing the Executive Director to Execute a Fifth Amendment to Agreement C100246 with ACS State and Local Solutions, Inc. for E-ZPass New York Customer Service Center Services

Ms. Carey Cassidy asked if Authority staff were happier with ACS customer service than it has been in the past and were they working jointly with the contractor to resolve customer complaints. Mr. Bell reported that the quality of service has been improving. The new contract contains a large list of performance measures that impact their payments, which is anticipated to translate into substantial customer service improvements.

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



Item 13 by Mr. Bell (Appendix M)

Authorizing the Executive Director to Execute a Fifth Amendment to Agreement C100246 with ACS State and Local Solutions, Inc. for E-ZPass New York Customer Service Center Services (Continued)

RESOLUTION NO. 5645

AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A FIFTH AMENDMENT TO AGREEMENT C100246 WITH ACS STATE & LOCAL SOLUTIONS, INC. FOR E-ZPASS NEW YORK CUSTOMER SERVICE CENTER SERVICES

RESOLVED, that the Executive Director be, and hereby is, authorized to execute a Fifth Amendment to Agreement C100246 with ACS State and Local Solutions, Inc. to provide the Authority with E-ZPass Customer Service Center services; and be it further

RESOLVED, that such Fifth Amendment shall extend the term of the Agreement for twelve months to February 28, 2009, increase the maximum amount payable by \$19.3 million (to \$187.6 million), and shall be on such other terms and conditions as the Executive Director, in consultation with the General Counsel, determines to be in the best interests of the Authority, and be it further

RESOLVED, that the Authority's Chief Financial Officer be, and hereby is, authorized to charge expenditures for services rendered pursuant to such Agreement to the Operating Budget; and be it further

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



Item 14 by Mr. Waite (Appendix N)

Authorizing Negotiation and Execution of Engineering Agreement D213668 with HAKS Engineers and Land Surveyors, P.C. for Construction Inspection Services Relative to TANY 07-4B, Tappan Zee Bridge Steel Repairs in the New York Division

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

RESOLUTION NO. 5646

AUTHORIZING NEGOTIATION AND EXECUTION OF ENGINEERING AGREEMENT D213668 WITH HAKS ENGINEERS AND LAND SURVEYORS, P.C. FOR CONSTRUCTION INSPECTION SERVICES RELATIVE TO TANY 07-4B, TAPPAN ZEE BRIDGE STEEL REPAIRS IN THE NEW YORK DIVISION

RESOLVED, that the Chief Engineer be, and hereby is, authorized to negotiate and execute engineering agreement D213668 with HAKS Engineers and Land Surveyors, P.C., 40 Wall Street, 11th Floor, New York, New York 10005, for construction inspection services relative to TANY 07-4B, Tappan Zee Bridge Steel Repairs in the New York Division, provided that the Maximum Amount Payable does not exceed \$3,000,000 which is provided through the 2008 Contracts Program (Item B540.1), 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 2008 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



Item 14 by Mr. Waite (Appendix N)

Authorizing Negotiation and Execution of Engineering Agreement D213668 with HAKS Engineers and Land Surveyors, P.C. for Construction Inspection Services Relative to TANY 07-4B, Tappan Zee Bridge Steel Repairs in the New York Division (Continued)

information to include the exact Maximum Amount Payable and date of execution of the agreement, and be it further

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

Item 15 by Mr. Waite (Appendix O)

Approving Supplemental Agreement No. 3 to D212838 with Weidlinger Associates Consulting Engineers, P.C. for Construction Support Services Relative to TANY 07-4B, Tappan Zee Bridge Steel Repairs

Mr. Plunkett asked if the supplement was approximately \$970,000, to which Mr. Waite responded affirmatively. Mr. Plunkett clarified that the contract approved in the previous item was for construction inspection and this item is for steel and structural integrity issues. Mr. Waite confirmed Mr. Plunkett's distinction of the services and added that Weidlinger Associates Consulting Engineers, P.C. (Weidlinger) has been the main consultant on the Tappan Zee Bridge for a number of years and is probably the consultant most familiar with the bridge. HAKS Engineers and Land Surveyors, P.C. will ensure the construction work is done correctly while Weidlinger will review drawings before parts are fabricated.

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

RESOLUTION NO. 5647

APPROVING SUPPLEMENTAL AGREEMENT NO. 3 TO D212838 WITH WEIDLINGER ASSOCIATES CONSULTING ENGINEERS, P.C. FOR CONSTRUCTION SUPPORT SERVICES RELATIVE TO CONTRACT TANY 07-4B, TAPPAN ZEE BRIDGE STEEL REPAIRS

RESOLVED, that the proposed Supplemental Agreement No. 3 to D212838 with Weidlinger Associates Consulting Engineers, P.C., 375 Hudson Street, New York,



Item 15 by Mr. Waite (Appendix O)

Approving Supplemental Agreement No. 3 to D212838 with Weidlinger Associates Consulting Engineers, P.C. for Construction Support Services Relative to TANY 07-4B, Tappan Zee Bridge Steel Repairs (Continued)

New York 10014, for design and construction inspection support services relative to contract TANY 07-4B, for an additional sum of \$970,000, be, and the same hereby is, approved, and be it further

RESOLVED, that the revised Maximum Amount Payable for this agreement (D212838) be \$7,010,000, 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 2008 Contracts Program and other Board authorizations, and suspend or terminate the Supplemental 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 16 by Mr. Waite (Appendix P)

Authorizing Negotiation and Execution of Agreement D213734 with GEOD Corporation for Statewide Aerial Photogrammetry and Mapping Services for a Period of Three Years

Mr. Howard inquired if the Canal could piggyback on this contract if it has a need for these services. Responding affirmatively, Mr. Waite advised that the consultant would be directed to fly higher in order to simultaneously encompass the Thruway and Canal.

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



Item 16 by Mr. Waite (Appendix P)

Authorizing Negotiation and Execution of Agreement D213734 with GEOD Corporation for Statewide Aerial Photogrammetry and Mapping Services for a Period of Three Years (Continued)

RESOLUTION NO. 5648

AUTHORIZING NEGOTIATION AND EXECUTION OF AGREEMENT D213734 WITH GEOD CORPORATION FOR STATEWIDE AERIAL PHOTOGRAMMETRY AND MAPPING SERVICES FOR A PERIOD OF THREE YEARS

RESOLVED, that the Chief Engineer be, and he hereby is, authorized to negotiate and execute term agreement D213734 with GEOD Corporation, 24 Kanouse Road, Newfoundland, New Jersey 07435, for statewide aerial photogrammetry and mapping services, provided that the Maximum Amount Payable does not exceed \$400,000 which is currently provided through the 2008 Contracts Program (Item HS541.1), 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 2008 Contracts Program Resolution and other Board authorizations, and suspend or terminate the agreement in the best interests of the Authority, and be it further

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

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



Item 17 by Mr. Waite (Appendix Q)

Authorizing Negotiation and Execution of Agreement D213725 with Camp Dresser & McKee for Statewide Environmental Services for a Period of Three Years

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

RESOLUTION NO. 5649

AUTHORIZING NEGOTIATION AND EXECUTION OF AGREEMENT D213725 WITH CAMP DRESSER & MCKEE FOR STATEWIDE ENVIRONMENTAL SERVICES FOR A PERIOD OF THREE YEARS

RESOLVED, that the Chief Engineer be, and he hereby is, authorized to negotiate and execute term agreement D213725 with Camp Dresser & McKee, 15 British American Boulevard, Airport Park, Latham, New York 12110, for statewide environmental services, provided that the Maximum Amount Payable does not exceed \$500,000 which is currently provided through the 2008 Contracts Program (Item AS796.1), 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 2008 Contracts Program Resolution and other Board authorizations, and suspend or terminate the agreement in the best interests of the Authority, and be it further

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

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



Item 18 by Mr. Waite (Appendix R)

Clarifying Board Resolution No. 5617 by Authorizing the Executive Director, or his Designee, to Issue Permits for the Ridge Hill Project, Located in the City of Yonkers, Westchester County, New York, Prior to the Acquisition of Property Previously Required By the Federal Highway Administration to Satisfy the Terms of a 1985 Memorandum of Understanding between the County of Westchester and the City of Yonkers

Prior to the presentation of this item, Mr. Fleischer issued the following statement on behalf of Chairman Buono, Ms. Carey Cassidy and Mr. Plunkett:

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 proposed Ridge Hill development in the City of Yonkers, New York ("Ridge Hill Matter"). Chairman Buono, Vice-Chair Nancy Carey Cassidy and Kevin Plunkett, all members of the Thruway Authority Board ("the Board") have informed the Board and the Executive Director that they believe they should recuse themselves from any vote pertaining to the Ridge Hill Matter.

The Board members will not participate in any discussion and will not vote. Such recusal will also apply to any subsequent vote or any subsequent discussion concerning the Ridge Hill Matter. Additionally, no confidential information concerning that matter has been or will be shared with Chairman Buono, Vice-Chair Nancy Carey Cassidy and Kevin Plunkett and they will leave the Board Room while the item is being discussed.

Mr. Conway reported that he had received an opinion prepared by outside counsel that he has no conflict of interest with this matter despite his position on the Westchester County Industrial Development Agency.

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



Item 18 by Mr. Waite (Appendix R)

Clarifying Board Resolution No. 5617 by Authorizing the Executive Director, or his Designee, to Issue Permits for the Ridge Hill Project, Located in the City of Yonkers, Westchester County, New York, Prior to the Acquisition of Property Previously Required By the Federal Highway Administration to Satisfy the Terms of a 1985 Memorandum of Understanding between the County of Westchester and the City of Yonkers (Continued)

RESOLUTION NO. 5650

CLARIFYING BOARD RESOLUTION NO. 5617 BY AUTHORIZING THE EXECUTIVE DIRECTOR, OR HIS DESIGNEE, TO ISSUE PERMITS FOR THE RIDGE HILL PROJECT, LOCATED IN THE CITY OF YONKERS, WESTCHESTER COUNTY, NEW YORK, PRIOR TO THE ACQUISITION OF PROPERTY PREVIOUSLY REQUIRED BY THE FEDERAL HIGHWAY ADMINISTRATION TO SATISFY THE TERMS OF A 1985 MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY OF WESTCHESTER AND THE CITY OF YONKERS

RESOLVED, that the Board clarifies Resolution No. 5617, by authorizing the Executive Director, or his designee, to issue the necessary permits to effectuate the transportation improvements for the Ridge Hill Project prior to the completion of the unrelated Right of Way acquisitions contemplated in the 1985 Memorandum of Understanding once a completed permit application is received from the applicant, the Agreement has been approved by the Comptroller's office, and FHWA provides its concurrence with the mapping of the property boundaries, and be it further

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



Item 19 by Mr. Fleischer (Appendix S)

Authorizing the Executive Director to Prepare for Toll Rate Adjustments in Order to Provide Sufficient Net Revenue to Finance the Authority's Multi-Year Capital Program, and to Comply with 2 NYCRR Part 203, the General Revenue Bond Resolution and the Authority's Fiscal Management Guidelines (Continued)

Prior to discussion of the item, Mr. Fleischer presented an extensive powerpoint to the Board and staff outlining the proposed toll increase, 2008 Budget and the 2008 Contracts Program. Hard copies of the powerpoint slides were provided to the Board in advance of the meeting for their review. A copy of the entire presentation is attached to the Minutes of this meeting under Appendix S.

Mr. Plunkett asked who had responsibility for I-84 and I-287 prior to 1991. Mr. Fleischer indicated that responsibility for these highways, as well as the Canal System, was with the New York State Department of Transportation. Chairman Buono asked what the amount of the Canal Capital Program is. Mr. Fleischer estimated it to be \$265 million. Ms. Crotty questioned whether the I-84 work will help facilitate Stewart Airport and alleviate local traffic. Mr. Fleischer noted that the direct connection between I-84 and I-87 will help alleviate local traffic in the vicinity of the Airport; however it is not the direct Drury Lane connection off the Thruway.

Mr. Plunkett asked if the bridges have been reviewed since the Minneapolis tragedy. Mr. Fleischer confirmed that they had been. Mr. Plunkett subsequently asked if any bridge projects have changed, increased or decreased, and if the Capital Program has been modified as a result. Mr. Fleischer noted that the bridges similar to the bridge in Minneapolis were re-inspected. He advised that New York State has a rigorous biannual bridge inspection process that includes underwater inspections. The Authority conducts underwater inspections every four years in contrast to the State's five-year program. Mr. Waite added that a hands-on inspection of all the Thruway's truss bridges was conducted and all were determined to be in satisfactory condition. Mr. Plunkett inquired whether major modifications to the original study are projected as a result of the recent inspections. Mr. Waite advised that no major modifications are projected. Mr. Fleischer noted that the Capital Program has not been modified.



Item 19 by Mr. Fleischer (Appendix S)

Authorizing the Executive Director to Prepare for Toll Rate Adjustments in Order to Provide Sufficient Net Revenue to Finance the Authority's Multi-Year Capital Program, and to Comply with 2 NYCRR Part 203, the General Revenue Bond Resolution and the Authority's Fiscal Management Guidelines (Continued)

Mr. Howard commented that user costs are not included as an impact of poor quality pavement conditions. If you have an unmaintained highway, damage to vehicles is something that goes to the user of the roadway. Savings to Thruway users are realized as a result of the Thruway's favorable road conditions.

Mr. Fleischer stated that the Authority's proposed plan is to maintain the Thruway in good condition. Relative to bridge conditions, Mr. Plunkett asked for clarification of the rating system. Mr. Fleischer explained that the current average bridge condition rating is 5.15, which is considered good. Below five would be considered fair. The Authority is trying to maintain this good level through its Capital Program.

Chairman Buono requested clarification of the Authority's gas pricing. He read an article in the newspaper that indicated Thruway gas prices were significantly higher than in surrounding areas and asked if the Authority still takes the average. Mr. Bell noted that the Authority's contract allows the operators to survey gas prices of the surrounding area and increase their price \$.02 per gallon. Local gas prices fluctuate daily and the Thruway's prices are sometimes lower as a result of a lag. Mr. Fleischer stated that at one point when gas prices spiked, customers visited Thruway Travel Plazas to take advantage of the lower prices.

Relative to the multi-year financial plan, Mr. Fleischer reported that Stantec's projected Thruway traffic growth patterns were revised downward consistent with a national trend. A steady increase is projected through 2011 as consumers are expected to adjust to the high gasoline prices and resume Thruway travel. The impact of this trend will be in the out-years of the Authority's multi-year Capital Program, during which the coverage ratios are expected to fall below the 1.5 fiscal management guidelines. Chairman Buono asked what the significance of this impact is. Mr. Fleischer responded that the Authority would not be able to issue debt, and that its Capital Program would have to be drastically reduced by hundreds of millions of dollars and projects deferred to close the gaps. Mr. Plunkett asked if the financial plan includes the ten percent increase that was voted on two and one-half years ago. Mr. Fleischer noted that the ten percent increase was for cash customers only and was always included in the base plan that was sent to OSC and was part of the public process in 2005. Ms. Carey Cassidy added that she was part of the process in 2005, and



Item 19 by Mr. Fleischer (Appendix S)

Authorizing the Executive Director to Prepare for Toll Rate Adjustments in Order to Provide Sufficient Net Revenue to Finance the Authority's Multi-Year Capital Program, and to Comply with 2 NYCRR Part 203, the General Revenue Bond Resolution and the Authority's Fiscal Management Guidelines (Continued)

explained that the reason the increase was phased in was so the public would have a chance to adjust. The entire toll increase could have easily been enacted in 2005 and the E-ZPass discounts eliminated so that money could be collected; however in an attempt to help customers, the Authority phased the increase in over time. In order to fund the Capital Plan, increases were always intended during that period of time.

Ms. Crotty asked why the debt service coverage ratio is targeted at 1.7 in 2011. Mr. Fleischer advised that the 1.7 is a number that the Authority would try to meet to help preserve its outstanding credit rating. The Authority is trying to strike a balance between preserving its fiscal stability and the impact on Thruway customers. Ms. Crotty questioned the impact of this ratio on the interest rate. Mr. Bryan confirmed that the higher the ratio, the better the interest rate. Mr. Fleischer stated that it will impact the cost of borrowing. Mr. Conway described the ratio as a ripple effect, stating that it can indirectly affect the cost of borrowing for other State agencies and the State itself. Ms. Carey Cassidy added the Authority is one of the State's largest borrowers and that the rating impacts what the Authority passes on to local municipalities through its programs. Relative to the \$1 billion in mandates, Mr. Plunkett inquired if it would assist the Authority if they are examined and adjusted. Mr. Fleischer advised that the Authority generally has I-287 and the Canal; the other mandated costs have been paid for. Regarding the upstate projects, the Syracuse Inner Harbor and Buffalo Outer Harbor, the Authority has committed its funds. In response to Mr. Plunkett's question regarding the inclusion of I-84 and the Cross Westchester Expressway, Mr. Fleischer stated that the Authority no longer has financial responsibility for I-84; the Cross Westchester Expressway costs a couple million annually, the Canal costs approximately \$75 - \$80 million and local bridge projects cost approximately \$5 million. Ms. Carey asked if these costs include Canal capital. Mr. Fleischer noted that both operating and capital costs are included. Continuing, Mr. Fleischer advised that the Board is not being asked to implement any toll increases today. Rather, Board approval to begin a public process is requested. It is expected that staff will return to the Board in mid-April after the State's budget deadline has passed informing them of the relief of any mandated costs and the potential impact on the Authority's fiscal condition. Mr. Fleischer affirmed for Mr. Plunkett that the mandated costs are from the State and are uncontrolled. The plan assumes that the Authority remains legally obligated for what it's currently obligated for. It would require an act of the State Legislature to transfer the costs back to the State. Ms.



Item 19 by Mr. Fleischer (Appendix S)

Authorizing the Executive Director to Prepare for Toll Rate Adjustments in Order to Provide Sufficient Net Revenue to Finance the Authority's Multi-Year Capital Program, and to Comply with 2 NYCRR Part 203, the General Revenue Bond Resolution and the Authority's Fiscal Management Guidelines (Continued)

Carey Cassidy noted that an important mandate had not been addressed; the safety of work zones for which the overtime for Troop T is paid by the Authority. Work zone fines, which are doubled, are not paid to the Authority; the money goes to a general State fund. The Authority has increased costs, yet does not receive the revenue. Ms. Crotty asked how much the Authority pays for Troop T. Mr. Fleischer estimated the amount to be \$50 million annually. Ms. Carey Cassidy noted that the Legislature has been asked to provide fine revenues to the Authority, but no action has been taken to enact this request.

Chairman Buono asked for the specific numbers proposed by the increase. Mr. Fleischer reported that E-ZPass customers would be impacted by less than \$.01 per mile and cash customers by \$.005 beginning in 2009. Bridge and barrier tolls would increase in 2009, with the exception of the Grand Island Bridge for which no increase is planned. In response to Mr. Plunkett's question, Mr. Fleischer reiterated that the increase in the bridge and barrier tolls would become effective in 2009. Chairman Buono inquired about the tolls implemented by other State bridges. Mr. Fleischer advised that the Port Authority is currently charging \$6 and is proposing to increase the toll to \$8. The Metropolitan Transportation Authority will today be approving an increase in the rates for their bridges and the subways. Commissioner Glynn estimated that the 20-year needs assessment for the State's transportation system (excluding the Thruway) is \$175 billion over the next 20 years. Mr. Plunkett commented on the foresight of our forefathers in locating the Tappan Zee Bridge approximately 25 miles outside the jurisdiction of the Port Authority in order that it would not fall under the control of this agency. As a result, commuters are already realizing a savings because the Thruway Authority's tolls are lower than the Port Authority's bridge rates. Mr. Fleischer estimated the difference of the commuter plan tolls to be \$3. Ms. Carey Cassidy clarified that the difference applies to roundtrips which translates into a \$3 toll as opposed to \$6. Under the Authority's commuter plan, Mr. Fleischer noted that this toll would equate to \$1.50 each way. With respect to the commuter plan rates, Mr. Conway noted that the \$.02 increase for the daily commuter would be from now until 2011 and would be less than the rate of inflation. Mr. Plunkett asked that the term "commercial vehicle" be defined. Mr. Fleischer responded that commercial vehicles are trucks, large and small, for which the Authority offers a discount program. In response to Chairman Buono's inquiry, Mr. Fleischer reported that the Authority had presented the proposed plan to the



Item 19 by Mr. Fleischer (Appendix S)

Authorizing the Executive Director to Prepare for Toll Rate Adjustments in Order to Provide Sufficient Net Revenue to Finance the Authority's Multi-Year Capital Program, and to Comply with 2 NYCRR Part 203, the General Revenue Bond Resolution and the Authority's Fiscal Management Guidelines (Continued)

Motortruck Association ("Motortruck"). Although not opposed to tolls, Motortruck expressed opposition to the non-core functions for which the Authority is responsible, specifically the Canal. Motortruck appreciates the level of service offered on the Thruway; however, is of the opinion that commercial users should not pay for the operation of the Canal which many of its members have not, nor will ever, use. Mr. Conway clarified that Motortruck's issues are with the Legislature and the Governor's Office, not the Authority. Mr. Fleischer concurred, noting that neither Motortruck nor AAA has said anything negative about the operation of the Thruway or its level of service. He also agreed with Mr. Plunkett's comment that the conditions of the roads and bridges are a primary concern of these organizations. Mr. Fleischer added that AAA called the Thruway a premier highway facility and wanted it to stay that way. AAA echoed Motortruck's sentiments supporting a user-fee system and opposing paying for systems that its members don't use. Subsequent to a comparison of commercial toll rates, Chairman Buono commented that commercial activity on the Garden State Parkway is limited. Mr. Howard asked if the noted toll rates were cash prices and reflected an adjusted discount. Mr. Fleischer indicated that the rates are the cash prices and would be approximately five percent less with the discount. In response to Mr. Howard's subsequent inquiry, Mr. Fleischer noted that approximately 70 percent of the commercial users are enrolled in the discount program and would pay even less when the volume discount is applied. From the Authority's standpoint, the cash prices denoted are reflective of the worst case scenario. Mr. Plunkett commented that the Delaware Turnpike is interesting because it can't be more than 20 miles long. Mr. Conway concurred.

Mr. Fleischer continued with an explanation of the revised Multi-Year Financial Plan and clarified for Mr. Plunkett that this plan assumes the implementation of the proposed percentage increases: ten percent in 2008 and five percent in 2009 and 2010. Mr. Howard noted that the Stantec report is based on assumptions of economic stability and traffic growth; actual economic conditions and traffic growth patterns are not known. It makes sense that people will opt for more fuel efficient vehicles and will resume normal traffic patterns; however, these predictions are not based on certainty and will not be known for a couple years. Agreeing, Mr. Fleischer noted that with the phased-in approach, if traffic comes back sooner than predicted, there is the opportunity to adjust the toll increases. Ms. Crotty asked what the proposed increase in the operating expense was, to which Mr. Bryan



Item 19 by Mr. Fleischer (Appendix S)

Authorizing the Executive Director to Prepare for Toll Rate Adjustments in Order to Provide Sufficient Net Revenue to Finance the Authority's Multi-Year Capital Program, and to Comply with 2 NYCRR Part 203, the General Revenue Bond Resolution and the Authority's Fiscal Management Guidelines (Continued)

replied approximately three and one-half percent. Ms. Carey Cassidy clarified that this includes the pensions and health care which are in excess of three and one-half percent. Mr. Fleischer explained that the Authority does not plan to increase positions or operations; the increases are intended solely to fund highway and bridge projects. Chairman Buono predicted that the Board will request staff to further reduce operating costs.

Ms. Crotty inquired how the audit currently being conducted by OSC will be factored in the public process. Mr. Fleischer responded that it will be treated as part of the 2804 process and will accelerate the process. Messrs. Bryan and Fleischer explained that normally the process would start today. However, to accelerate the review, the Authority provided OSC with necessary information (Stantec report, financials, revenue, Capital Program) in November prior to the commencement of the audit. In addition, Authority staff and Stantec representatives were made available to the auditors so they could obtain required information. Mr. Fleischer confirmed for Mr. Plunkett that the Authority has given much of this information to the Governor's Office as well. Chairman Buono added that he and Mr. Fleischer met with the Comptroller and encouraged OSC to be as expeditious as possible in order to determine if there are recommendations that could be implemented as soon as possible.

Relative to the email alerts concerning traffic incidents provided to customers through the Authority's Advanced Traffic Management System, Ms. Crotty asked if alternative routes were provided. Mr. Fleischer responded negatively, noting that the Authority does not possess enough information about customers' starting locations to offer that service. Customer feedback indicated that the Authority was sending too many emails. In response, the application was refined so customers may select portions of the Thruway and specific time periods during which they would like to receive the alerts. The email provides information concerning the incident and an estimate of how long it is expected to affect traffic. Decisions regarding alternative routes are left to the customer. Chairman Buono asked if the feasibility of advertising at Thruway travel plazas and toll booths could be explored as a means to generate revenue, commenting that State travel plazas allow this practice. Mr. Bryan responded affirmatively, noting that he has seen them at toll facilities on the Massachusetts Turnpike. Mr. Bell advised that there are Federal Highway Administration standards concerning the placement of advertisements that are visible



Item 19 by Mr. Fleischer (Appendix S)

Authorizing the Executive Director to Prepare for Toll Rate Adjustments in Order to Provide Sufficient Net Revenue to Finance the Authority's Multi-Year Capital Program, and to Comply with 2 NYCRR Part 203, the General Revenue Bond Resolution and the Authority's Fiscal Management Guidelines (Continued)

from the highway. Chairman Buono and Ms. Carey Cassidy also reported seeing advertisements on other highway toll plazas. Mr. Bryan speculated that the signs must have been installed prior to the institution of the Federal regulations. Chairman Buono suggested that the utilization of advertising inside the travel plazas be examined, as every amount of additional revenue would be beneficial. Mr. Conway added that it would be symbolic as well.

In Mr. Bryan's introduction of the 2007 proposed budget, he reported that the Board would be asked to vote on a toll adjustment. Chairman Buono corrected Mr. Bryan, stating that there would not be a vote on the toll adjustment. Mr. Bryan clarified the requested action to be advancement of the public process for the toll adjustment.

Ms. Crotty asked Mr. Bryan if he was comfortable keeping pace with issuing RFPs and contracts with the 2007 Capital Program increasing a little over 24 percent. Mr. Bryan responded affirmatively, advising that the Authority is doing a good job meeting letting targets and cash flow expenditures. The Tappan Zee Bridge redecking project created a slight bump in the road for cash flow planning purposes, but that project is progressing. In 2008 the Capital Program will be one of the largest in the Authority's history, totaling nearly \$515 million. Mr. Plunkett noted that a decrease from 45 to 21 is a big drop even with the proposal. Mr. Bryan concurred.

Mr. Williams expressed support of the Authority Board and staff, acknowledging that the Thruway Authority is run better than any other State authority. He cannot, however, support any resolutions until the State accepts responsibility for the things that it is bearing on the Authority's books and the imposed mandates. His opposition is not attributed to the Authority's management. Until the State accepts responsibility, he will continue to oppose items, including some of the conduit financing projects.

Ms. Carey Cassidy acknowledged that she has been here the longest of any Board member and has been through several toll increases, all of which have been necessary. The Authority's first and foremost responsibility is the safety of the public. It also has fiduciary responsibility to make sure that it plans ahead. If projects are delayed or cancelled, safety and commerce will be negatively impacted. Without safe



Item 19 by Mr. Fleischer (Appendix S)

Authorizing the Executive Director to Prepare for Toll Rate Adjustments in Order to Provide Sufficient Net Revenue to Finance the Authority's Multi-Year Capital Program, and to Comply with 2 NYCRR Part 203, the General Revenue Bond Resolution and the Authority's Fiscal Management Guidelines (Continued)

roads and bridges people won't be able to deliver goods, which will have as much of an impact, if not more, than this toll increase would. This is the beginning of a public process. The Authority has been maligned by people saying that the Board is voting for a toll increase today. The Board is not voting for a toll increase today. This includes the legislature, the Comptroller, the Governor's Office and the municipalities that are affected by the public hearings. This was not the first time she's voted on this, and unequivocally supports beginning the process, because it's the responsibility of Board members to do so.

Mr. Conway and Ms. Crotty noted that Ms. Carey Cassidy's sentiments were well said.

Chairman Buono commented that there's been a lot of misunderstanding, on behalf of the public and the legislature. Today's presentation will help to make this process more understandable. He acknowledged that the Authority may have been guilty in how it has communicated the Board's motivations. It is responsible for getting this process underway, obtaining feedback from all the hearings, and making a decision as a responsible entity.

Mr. Plunkett echoed Ms. Carey Cassidy's remarks. He noted that the increases that are going into effect in early January were extensively vetted and voted on through a similar process some years ago. Acknowledging a potential misunderstanding, he reiterated that the increases have already been approved and are going into effect because without them the Authority would be in even worse financial shape. He clarified that the requested Board action was to start a public process and expressed the opinion that it would be irresponsible not to initiate the process due to the negative impacts on Thruway customers and the State's economy previously stated by Ms. Carey Cassidy. Reaffirming support to initiate the process, he implored State legislators to examine the Authority's operational needs as an independent authority and to assist the Authority in relieving the mandates.

Mr. Howard stressed the significance of Mr. Fleischer's point that the Commissioner of Transportation is facing similar problems with the State's transportation network as is the entire highway and bridge infrastructure of the



Item 19 by Mr. Fleischer (Appendix S)

Authorizing the Executive Director to Prepare for Toll Rate Adjustments in Order to Provide Sufficient Net Revenue to Finance the Authority's Multi-Year Capital Program, and to Comply with 2 NYCRR Part 203, the General Revenue Bond Resolution and the Authority's Fiscal Management Guidelines (Continued)

United States. The funding isn't going as far. Revenues are reduced and costs have drastically increased. The costs for diesel fuel and salt in the month of December this year is above what is normally spent. Although the Authority is an independent organization, similar infrastructural and funding issues are also being experienced on statewide and national levels.

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

RESOLUTION NO. 5651

AUTHORIZING THE EXECUTIVE DIRECTOR TO PREPARE FOR TOLL RATE ADJUSTMENTS IN ORDER TO PROVIDE SUFFICIENT NET REVENUE TO FINANCE THE AUTHORITY'S MULTI-YEAR CAPITAL PROGRAM, AND TO COMPLY WITH 2 NYCRR PART 203, THE GENERAL REVENUE BOND RESOLUTION AND THE AUTHORITY'S FISCAL MANAGEMENT GUIDELINES

RESOLVED, that the financial documents satisfying the financial reporting requirements of Public Authorities Law Section 2804, attached hereto as Exhibit I, be, and hereby are, approved; and be it further

RESOLVED, that the Executive Director, or his designee, be, and hereby is, authorized to take all actions necessary to prepare for the implementation of the toll adjustments consistent with this Board item and Exhibits II and III attached hereto and that such actions shall conform with the General Revenue Bond Resolution and the applicable statutory procedures outlined in the Public Authorities Law, the Executive Law, the State Administrative Procedure Act, Executive Order #20 issued November 30, 1995 as extended by Executive Order #5



Item 19 by Mr. Fleischer (Appendix S)

Authorizing the Executive Director to Prepare for Toll Rate Adjustments in Order to Provide Sufficient Net Revenue to Finance the Authority's Multi-Year Capital Program, and to Comply with 2 NYCRR Part 203, the General Revenue Bond Resolution and the Authority's Fiscal Management Guidelines (Continued)

issued January 1, 2007 and the State Environmental Quality Review Act; and be it further

RESOLVED, that after the necessary actions have been taken, the Executive Director shall present a recommendation to the Board regarding a specific plan for the toll adjustments, consistent with this Board item and Exhibits II and III, necessary to meet the requirements of 2 NYCRR Part 203, the General Revenue Bond Resolution, the Authority's Fiscal Management Guidelines and determining the environmental significance of any such actions; and be it further

RESOLVED, that the recommendation regarding the environmental significance of this action authorizing the Executive Director to perform and distribute studies, conduct preliminary planning and hearings and file the documents necessary to formulate a proposal for action be, and hereby is, approved; and be it further

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

Item 20 by Mr. Bryan (Appendix T)

Approval of Revisions to the 2007 Financial Plan and the 2008 Proposed Budget for the New York State Thruway Authority

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:



Item 20 by Mr. Bryan (Appendix T)

Approval of Revisions to the 2007 Financial Plan and the 2008 Proposed Budget for the New York State Thruway Authority (Continued)

RESOLUTION NO. 5652

APPROVAL OF REVISIONS TO THE 2007 REVISED FINANCIAL PLAN AND THE 2008 PROPOSED BUDGET FOR THE NEW YORK STATE THRUWAY AUTHORITY

RESOLVED, that the Report on the 2007 Financial Plan as presented in this item be, and the same hereby is, accepted by the Board, and be it further

RESOLVED, that the Chief Financial Officer be, and he hereby is, authorized to make any and all adjustments to the appropriate funds consistent with this revised Financial Plan for 2007, and be it further

RESOLVED, that the Chief Financial Officer be, and he hereby is, authorized to make any other adjustments based on actual results that are consistent with this projected plan, and report such actions to the Board, and be it further

RESOLVED, that the Authority's proposed Budget for the fiscal year 2008, submitted by the Executive Director, the Chief of Staff and the Chief Financial Officer, be, and the same hereby is, approved and funded in accordance with the attached Exhibit V, and be it further

RESOLVED, that the Executive Director or his designee be, and he hereby is, authorized to make such expenditures as set forth in this Budget, subject to compliance with Authority policies and procedures, and to make such internal adjustments and transfers within the Authority Budget as are necessary and proper, and to make any other adjustment with the concurrence of the Board, and be it further



Item 20 by Mr. Bryan (Appendix T)

Approval of Revisions to the 2007 Financial Plan and the 2008 Proposed Budget for the New York State Thruway Authority (Continued)

RESOLVED, that a copy of the Budget approved herein, when printed in final form, be attached to these minutes and made a part thereof, and be submitted to the New York State entities in accordance with Section 2801 of the Public Authorities Law, and be it further

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

Item 21 by Mr. Waite (Appendix U)

Approving the 2008 Contracts Program

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

RESOLUTION NO. 5653
APPROVING THE 2008 CONTRACTS PROGRAM

RESOLVED, that the 2008 Contracts Program for Highway, Bridge, Intelligent Transportation Systems, Architectural and Mandated Projects be, and the same hereby is, approved, and be it further

RESOLVED, that the Chief Engineer be, and hereby is, authorized:

- A.** to prepare and approve Official Proposals, Plans and Specifications, Engineer's/Architect's Estimates of Cost and Contract Documents for such projects as are tabulated in the 2008 CONTRACTS PROGRAM;
- B.** to hold the respective Engineer's/ Architect's Estimate of Cost for such contracts confidential;
- C.** to advertise for receipt of bids for those projects which are tabulated in the 2008 CONTRACTS PROGRAM; (1) when the final Engineer's/Architect's Estimates of Cost are equal to or less than the project's budget allocations; and (2)



Item 21 by Mr. Waite (Appendix U)
Approving the 2008 Contracts Program (Continued)

when the final Engineer's/Architect's Estimate of Cost does not exceed the project's budget allocation by more than \$75,000 for projects with budget allocations of up to \$500,000 or by more than 15 percent for projects with budget allocations that exceed \$500,000 provided confirmation is received from the Department of Finance and Accounts that sufficient funds are available in the 2008 Contracts Program; or (3) when the final Engineer's/Architect's Estimate of Cost exceeds the project's budget allocation beyond the limits in (2), provided that he receives prior approval of the Executive Director and confirmation from the Department of Finance and Accounts that sufficient funds are available in the 2008 Contracts Program;

D. to award any such contract to the lowest responsible bidder when it is deemed to be an acceptable bid, and:

1. the low bid is equal to or less than the Engineer's/Architect's Estimate; or
2. the low bid exceeds the Engineer's/Architects Estimate by up to \$75,000 on contracts up to and including \$500,000, or 15 percent on contracts over \$500,000 and confirmation is received from the Department of Finance and Accounts that, by virtue of bid savings and/or deferrals, sufficient funds are available for the additional difference between the Estimate amount and the low bid; or
3. the low bid exceeds the Engineer's/Architects Estimate by up to \$100,000 on contracts up to and including \$500,000, or 20 percent on contracts over \$500,000, provided that he receives prior approval of the Executive Director and confirmation from the Department of Finance and Accounts that, by virtue of bid savings



Item 21 by Mr. Waite (Appendix U)
Approving the 2008 Contracts Program (Continued)

and/or deferrals, sufficient funds are available for the additional difference between the Estimate amount and the low bid; or

4. the low bid exceed the limits of (1), (2) or (3) provided he obtains Board authorization for the necessary additional funds;

E. to reject bids for any such contract which are determined to be not in accordance with bid documents and specifications thereof, or not in the Authority's best interests, or which are submitted by bidders determined to be not responsible. In these cases and where no bids are received, he may again advertise for receipt of bids pursuant to paragraph C;

F. to approve contingent or extra work on such construction contracts, when necessary, provided the additional cost shall not exceed the bid price by more than \$150,000, for contracts bid up to and including \$1,000,000, or 15 percent for contracts bid in excess of \$1,000,000 and to approve additional extra work, beyond that authorized above with the prior approval of the Executive Director, provided the final cost of the respective contracts shall not exceed the total bid price by more than \$200,000, for contracts bid up to and including \$1,000,000, or 20 percent for contracts bid in excess of \$1,000,000; and to adjust and determine disputed contract claims in accordance with contract documents;

G. to enter into, extend, and modify project specific agreements or multi-project agreements with localities, utility companies, railroads, and/or others as may be necessary in order to facilitate the administration, award, progress and completion of such contracts;

H. to acquire and grant such property interests (fee title, easements, etc.), in accordance with the provisions of the Authority's Real Property



Item 21 by Mr. Waite (Appendix U)
Approving the 2008 Contracts Program (Continued)

Management Policy, as may be necessary for implementation of the 2008 CONTRACTS PROGRAM; provided that the total amount of acquisitions or the amount of grants for any one project shall not exceed \$150,000 each without Board authorization;

I. to execute engineering agreements approved by the Board, or where otherwise authorized by the Executive Director, including amendments thereto, for services relating to projects included in the 2008 CONTRACTS PROGRAM;

J. to approve a supplemental agreement, for expenditure of additional funds in furtherance of a Board approved engineering agreement, including any Board approved supplemental agreement, provided that the amount of such additional funds does not exceed \$150,000 in the case of agreements up to and including \$3,000,000, or 5 percent, in the case of agreements of over \$3,000,000;

K. to approve, with the prior approval of the Executive Director, a supplemental agreement for expenditure of additional funds in furtherance of a Board approved engineering agreement, including any Board approved supplemental agreement, provided that the amount of such additional funds does not exceed 25 percent including any additional funds authorized in paragraph J; and provided further, when such supplemental agreement includes additional new design or construction inspection tasks, such approval must be based upon the following: it is determined that the assignment of the additional tasks is in the best interests of the Authority when considering the proximity of the additional tasks to the ongoing tasks, or it is determined to be in the best interests of the Authority to expedite the additional tasks through such assignment, or it is determined that significant savings to the Authority will result through the



Item 21 by Mr. Waite (Appendix U)
Approving the 2008 Contracts Program (Continued)

assignment of the additional tasks;

L. to exercise all powers reserved to the Authority under the provisions of any contracts or agreements executed pursuant to this item, manage and administer any such contracts or agreements, amend the provisions of any such contracts or agreements consistent with the terms of this item and in accordance with other applicable Board authorizations, and suspend or terminate any such contracts or agreements in the best interests of the Authority, and be it further

RESOLVED, that any powers granted to the Executive Director by the Board to approve expenditures or to increase expenditures for contracts and agreements shall be in addition to those powers granted under this resolution and any action taken pursuant thereto shall be deemed to be authorized under this resolution, and be it further

RESOLVED, that in accordance with the other powers delegated herein, the Chief Engineer shall be, and hereby is, authorized to make all necessary decisions pursuant to the State Environmental Quality Review Act (SEQRA) with relation to the Contracts Program, and be it further

RESOLVED, that quarterly reports shall be submitted to the Board by the Chief Engineer on all awarded construction contracts; on approved additional funds for construction contracts over and above the contingency funds; on all engineering agreements and supplemental engineering agreements, approved pursuant to the provisions of this resolution, and be it further

RESOLVED, that the Chief Financial Officer be, and he hereby is, authorized:

A. upon award of such contracts to return such funds budgeted for such projects in the respective



Item 21 by Mr. Waite (Appendix U)
Approving the 2008 Contracts Program (Continued)

2008 Budgets which are otherwise not required for expenditure during 2008 to its proper fund in accordance with acceptable budgeting and accounting procedure;

B. to monitor total cash expenditures for the 2008 CONTRACTS PROGRAM to insure that they do not exceed \$446,158,922 during the 2008 Fiscal Year;

C. to return bid checks submitted for such contracts to unsuccessful bidders; and to make necessary adjustments in the respective 2008 approved Budgets as required by implementation of any part of the Resolution relative to the 2008 CONTRACTS PROGRAM; and be it further

RESOLVED, that the Executive Director or Chief Engineer be, and they hereby are, authorized to execute such contracts, including any amendments thereto, provided such amendments do not increase the authorized contract value beyond that which is otherwise authorized; and be it further

RESOLVED, that the provisions of this resolution shall be deemed to supercede all other inconsistent Authority policies and procedures to the extent necessary to implement the approved Contracts Program and for no other purposes, and be it further

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 Mr. Plunkett, seconded by Ms. Crotty, without any objections, the meeting was adjourned.

**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 relating to the valuation of real property.

