



## **MINUTES**

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

#### **BOARD MEETING NO. 696**

**January 24, 2013**

Minutes of a meeting of the New York State Thruway Authority, held at the MTA Headquarters, 347 Madison Avenue 7th Floor, New York, New York; the New York State Thruway Authority's Buffalo Division Office, 455 Cayuga Road, Suite 800, Cheektowaga, NY; and the New York State Thruway Authority Boardroom, R. Burdell Bixby Administrative Building, 200 Southern Boulevard, Albany, New York.

The meetings of the New York State Thruway Authority and Canal Corporation Boards opened in joint session for the consideration of various matters. These minutes reflect only those items considered by the New York State Thruway Authority Board. The meeting began at 2:00 p.m.

There were present:

Chairman Howard P. Milstein

Donna J. Luh, Vice Chairperson, via video conference

J. Donald Rice, Jr., Board Member

Brandon R. Sall, Board Member

Richard N. Simberg, Board Member, via video conference  
Jose-Holguin-Veras, Ph.D., Board Member, via video conference  
E. Virgil Conway, Board Member

Constituting all of the members of the Thruway Authority Board.

In addition, there were present the following staff personnel:

Thomas J. Madison, Jr., Executive Director  
Thomas J. Ryan, Chief of Staff  
John Bryan, Chief Financial Officer and Treasurer  
William Estes, General Counsel  
Ted Nadratowski, Interim Tappan Zee Project Director  
Jill B. Warner, Board Administrator and Secretary  
Jonathan Ehrlich, Special Assistant to the Chairman  
Karen Wilson, Information Technology Specialist III  
Captain Mallard, Troop T  
Kathleen Lefave, Special Assistant to Thomas J. Ryan, via video conference  
Harry Lennon, Acting Director of Audit & Management Services, via video conference  
Michael Shamma, Acting Chief Engineer  
Brian Stratton, Director, Canal Corporation  
Daniel Weiller, Director, Office of Public Affairs  
Todd Gold, Inter-Governmental Relations, via video conference  
Donald Bell, Director, Maintenance and Operations  
John Barr, Director, Administrative Services  
Shane Mahar, Deputy Director, Media Relations & Communications, via video conference  
William Sweitzer, Deputy Director for Operations, Media Relations & Communications,  
via video conference

Also in attendance:

Ervel Douse, Expedite Video Conferencing Services  
Jeffrey Parker, Senior Managing Director, Ernst & Young LLP  
Murray Bodin, public

Joshua Herrenkohl, Partner/Principal, Ernst & Young LLP

Matthew Hobby, Senior Vice President, Ernst & Young Infrastructure Advisors, LLC

Karen Rae, Deputy Transportation Secretary

James Screen, public

Chairman Milstein noted that he, Ms. Luh, Mr. Conway, Mr. Rice, Mr. Simberg, Mr. Sall and Dr. Veras had received and reviewed the Agenda submitted for consideration at this meeting and were prepared to act on each of the Items.

Chairman Milstein called the meeting of the Thruway Authority and Canal Corporation Boards to order. (45:53)

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

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**Item 1 by Ms. Warner (Appendix A)**  
**Approval of Minutes of Meeting No. 695 (46:02)**

On the motion of Ms. Luh, seconded by Mr. Conway, without any objections, the Board approved the minutes of Meeting No. 695 held on December 17, 2012, which were made available to the Board Members as part of the Agenda.

**Item 2 by Mr. Madison(Appendix B)**  
**Approved Report on Procurement Contracts and Other Agreements Up to \$150,000 Executed by the Executive Director During the Period April 1, 2012 Through December 31, 2012 (46:25)**

On the motion of Ms. Luh, seconded by Mr. Conway, without any objections, the Board accepted the report on Procurement Contracts and other Agreements up to \$150,000 executed by the Executive Director during the period April 1, 2012 through December 31, 2012.

**Item 3 by Mr. Bryan (Appendix C)**  
**Finance Report – November 2012 (46:02)**

This Item was advanced to the Board at the recommendation of the Finance Committee.

On the motion of Ms. Luh, seconded by Mr. Conway, without any objections, the Board accepted the Financial Report for November 2012.

**Item 4 by Mr. Bryan (Appendix D)**  
**Investment Transactions – Fourth Quarter 2012 (46:02)**

This Item was advanced to the Board at the recommendation of the Finance Committee.

On the motion of Ms. Luh, seconded by Mr. Conway, without any objections, the Board accepted the report on Investment Transactions for the Fourth Quarter 2012.

**Item 5 by Mr. Bell (Appendix E)**  
**Authorizing the Executive Director to Develop a Detailed Implementation Plan to Convert the Yonkers, Harriman and Tappan Zee Toll Barriers to All Electronic Tolling Facilities (46:20)**

This Item was advanced to the Board at the recommendation of the Finance Committee.

On the motion of Mr. Conway seconded by Mr. Sall, without any objections, the Board unanimously adopted the following resolution:

**RESOLUTION NO. 5943**  
**AUTHORIZING THE EXECUTIVE DIRECTOR TO DEVELOP A DETAILED IMPLEMENTATION PLAN TO CONVERT THE YONKERS, HARRIMAN, AND TAPPAN ZEE TOLL BARRIERS TO ALL ELECTRONIC TOLLING FACILITIES**

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RESOLVED, that the Executive Director, or his designee, shall have an implementation plan developed, including cost estimates, schedules, and video toll rate

surcharge structures to preserve toll revenue for the Yonkers, Harriman and Tappan Zee Bridge Toll Barriers

RESOLVED, that the Executive Director, or his designee, complete the State Environmental Quality Review Act and State Administrative Procedure Act process as required for the implementation of AET at the Yonkers, Harriman and Tappan Zee Toll Barriers

RESOLVED, that the Executive Director, or his designee, shall develop options to convert the existing ticketed tolling system to AET

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

**Item 6 by Mr. Bryan and Mr. Estes (Appendix F)**  
**Review and Approval of Short-Term Financing for Initial Mobilization and Construction Costs Related to the New NY Bridge Project (46:02)**

This Item was advanced to the Board at the recommendation of the Finance Committee.

On the motion of Ms. Luh, seconded by Mr. Conway, without any objections, the Board unanimously adopted the following resolution:

**RESOLUTION NO. 5944**  
**REVIEW AND APPROVAL OF SHORT-TERM FINANCING FOR INITIAL MOBILIZATION AND CONSTRUCTION COSTS RELATED TO THE NEW NY BRIDGE PROJECT**

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RESOLVED, in accordance with the New York State Thruway Act, Title 9 of Article 2 of the New York State Public Authorities Law, as amended (the "Act"), the Authority is authorized to issue its bonds, 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 and note 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, and be it further

RESOLVED, that Section 202 of the Resolution requires 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 Section 207 of the Resolution provides that whenever the Authority shall by Supplemental Resolution have authorized the issuance of a Series of Bonds, the Authority may by resolution authorize the issuance of Bond Anticipation Notes in anticipation of the issuance of the Series of Bonds, in a principal amount not exceeding the principal amount of the Bonds of such series so authorized, and be it further

RESOLVED, that there has been prepared and submitted to the Board a Fourteenth Supplemental Revenue Bond Resolution Authorizing General Revenue Bonds, Series J (the "Series J Supplemental Resolution"), to provide sufficient funds, to (i) pay the principal of and interest on General Revenue Bond Anticipation Notes, Series 2013A ("Series 2013A Notes") or Costs related thereto upon their

maturity or extension of maturity thereof (unless, in its sole discretion, the Authority elects to pay all or a portion of the Series 2013A Notes from the proceeds of a Transportation Infrastructure Financing and Innovation Act (“TIFIA”) loan; (ii) pay additional New NY Bridge Project (“Project”) Costs; (iii) pay Costs of Issuance relating to the Series J Bonds; and, (iv) if necessary, to make a deposit to the Senior Debt Service Reserve Fund equal to the Senior Debt Service Reserve Fund Requirement, upon the issuance of the Series J Bonds, and be it further

RESOLVED, that there has been prepared and submitted to the Board a form of Resolution (the “Series 2013A Note Resolution”) authorizing up to \$700,000,000 Series 2013A Notes to provide sufficient funds to fund Project Costs in the short term and pay the Costs of Issuance relating to the Series 2013A Notes, and be it further

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

RESOLVED, that pursuant to the Series 2013A Notes Resolution and in accordance with Section 207 of the Resolution, the Authority intends to issue its Series 2013A Notes and to privately place such Series 2013A Notes with the purchaser thereof pursuant to a Series 2013A Note Placement Agreement, the form of which Series 2013A Note Placement Agreement has been set before the Board, and be it further

RESOLVED, that the Board approves the form of the Series J Supplemental Resolution as submitted with this item and made a part of this resolution as though set forth in full herein, and authorizes an Authorized Officer (as defined

in the Resolution) to approve and execute such changes to the Series J Supplemental Resolution as may be deemed necessary or convenient to effectuate the purposes thereof, and be it further

RESOLVED, that the Board approves the form of the Series 2013A Note Resolution as submitted with this item and made a part of this resolution as though set forth in full herein, and authorizes an Authorized Officer to approve and execute such changes to the Series 2013A Note Resolution as may be deemed necessary or convenient to effectuate the purposes thereof, and be it further

RESOLVED, that the Board approves the Series 2013A Note Placement Agreement in substantially the form submitted with this item and made a part of this resolution as though set forth in full herein, in the manner set forth in Section 301 of the Series 2013A Notes Resolution and authorizes an Authorized Officer to execute and deliver such Series 2013A Note Placement Agreement and to approve and execute such changes to such Series 2013A Note Placement Agreement as may be deemed necessary or convenient to effectuate the purposes thereof, and be it further

RESOLVED, that prior to applying the proceeds of the Series 2013A Notes 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, in advance of the receipt of a loan through the Federal TIFIA program, the Authority intends to finance, on an interim basis with the proceeds of the Series 2013A Notes, up to \$700,000,000 of initial Project costs,



including a contractually required mobilization payment for Tappan Zee Constructors and other costs associated with the Project, which are reasonably expected to be paid or reimbursed with the proceeds of debt to be incurred by the Authority, or, to the extent the Authority receives such TIFIA loan, a portion of the proceeds of such loan, and be it further

RESOLVED, that the Board confirms and ratifies the continuation and selection of The Bank of New York Mellon, New York, New York as Trustee and Paying Agent, and be it further

RESOLVED, that an Authorized Officer is authorized to make any determinations or selections and/or appointments of any necessary or convenient consultants or agents and to execute any additional certificates, agreements or other documents necessary to facilitate the authorization, sale, issuance and delivery of the Series 2013A Notes and the Series J Bonds 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 7 by John Bryan (Appendix G )**  
**Confirming Real Property Reference Nos. TN13-1 and N13-2 as Not Necessary for the Authority's Corporate Purposes; and Authorizing Their Confirmatory Re-conveyance to Westport Management, LLC (46:42)**

Extensive discussion of this re-conveyance was undertaken by members of the Board. The details of the presentation by Mr. Bryan and Board Members' comments and

questions with respect thereto are included in the video recording of the meeting maintained in Authority records.

On the motion of Mr. Conway, seconded by Mr. Sall, without any objections, the Board unanimously adopted the following resolution:

**RESOLUTION NO. 5945**  
**CONFIRMING REAL PROPERTY REFERENCE NOS. TN13-1 AND TN13-2 AS NOT NECESSARY FOR THE AUTHORITY'S CORPORATE PURPOSES; AND AUTHORIZING THEIR CONFIRMATORY RE-CONVEYANCE TO WESTPORT MANAGEMENT, LLC**

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RESOLVED, that the Authority Board hereby finds, determines, and confirms that two permanent easements, Real Property Reference Nos. TN13-1 and TN13-2 (hereinafter, "Easements"), delineated on Conveyance Map No. 2-C in Orange County in the Catskill section of the Thruway, are hereby declared unnecessary for the Authority's corporate purposes, and be it further

RESOLVED, that the confirmatory re-conveyance of the Easements to Westport Management, LLC via quit-claim instruments for consideration in the amount of one dollar (\$1.00), payment of which is hereby waived based upon information and recommendations contained in this agenda item, be, and the same hereby is, approved, subject to such other terms as may be determined by the Executive Director, the Chief Engineer, the Chief Financial Officer, and the General Counsel to be in the best interest of the Authority, and that are consistent with the substance and intent of the agenda item, and be it further

RESOLVED, that the Authority's Contracting Officer determined that the Easements, as confirmatory in nature, are not subject to the provisions of Public Authorities Law

article 9, title 5-A or the Thruway Real Property Management Policy, and be it further

RESOLVED, that the recommendation regarding the environmental significance of this Board action (hereinafter the "Recommendation"), pursuant to the State Environmental Quality Review Act ("SEQRA"), be, and the same 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

RESOLVED, that the Executive Director, or his designee be, and the same hereby is, authorized to execute all documents necessary to effectuate the re-conveyance of the Easements, 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 8 by Chairman Milstein (Appendix H)**  
**Recognizing and Honoring Thomas J. Ryan (49:22)**

The details of the presentation by Chairman Milstein are included in the video recording of the meeting maintained in Authority records.

On the motion of Ms. Luh, seconded by Mr. Conway, without any objections, the Board unanimously adopted the following resolution:

**RESOLUTION NO. 5946**  
**RECOGNIZING AND HONORING THOMAS J. RYAN**

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WHEREAS, Thomas J. Ryan's faithful and selfless service to people of the State of New York is deserving of the highest praise and recognition, and

WHEREAS, a newspaper man by trade and inclination, Mr. Ryan's extensive public service included key positions with both Governor Mario M. Cuomo and the late Senator Daniel Patrick Moynihan, and

WHEREAS, as former Chairman of the New York State Canal Planning and Development Board and former President of the State Council on Waterways, Mr. Ryan was a principle architect of the renaissance of New York's historic Canal System, continuing today under the stewardship of the New York State Thruway Authority, and

WHEREAS, under his leadership, the Canal Planning and Development Board published a report in 1989 which was the genesis of both the transfer of the Canal System to the Thruway Authority and the creation of the Canal Recreationway Plan, and

WHEREAS, through his executive-level service at both the State Department of Transportation and Department of Motor Vehicles, and at the Federal Transit Administration, Mr. Ryan developed an intimate and unparalleled level of knowledge and experience pertaining to State and Federal transportation policy which has served the Authority and its customers well during his tenure, and

WHEREAS, Mr. Ryan's leadership, advice and counsel helped advance planning for the New New York

Bridge, the development of an interim agreement with the Mohawk Valley Water Authority to protect both Canal navigation and the local drinking water supply, and the prompt restoration of navigation following the unprecedented and catastrophic damaged caused by Hurricane Irene and Tropical Storm Lee, and

WHEREAS, a licensed professional mariner and lifelong Canaller, Mr. Ryan has played a critical role in shaping Canal policy and moving long-stalled projects forward such as the development of the Syracuse Inner Harbor, the restoration of the Lockport Flight of Five, and the development of a rest area at Lock 13, and

WHEREAS, Mr. Ryan has served the New York State Thruway Authority and the New York State Canal Corporation with distinction since November 11, 2009, and

WHEREAS, through his intellect, skill, character, and passion for public service, Mr. Ryan has left an ameliorative and indelible mark on this organization and its people, now, therefore, be it

RESOLVED, that the Thruway Authority and Canal Corporation Boards hereby extend to Thomas J. Ryan their thanks and appreciation for his faithful and commendable service, and be it further

RESOLVED, that a copy of this resolution be presented to Captain Ryan and be incorporated into the minutes of this meeting

## **PUBLIC COMMENT PERIOD**

There was one public speaker who did not address items specific to the Authority agenda. Refer to the video recording of the meeting for the content of the speaker's statements.

Murray Bodin, public (56:13)

**ADJOURNMENT**

There being no further business to come before the Board, without any objections, on the motion of Chairman Milstein, with no objections, the meeting was adjourned. (58:12)

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Jill B. Warner  
Secretary

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