



MINUTES

NEW YORK STATE THRUWAY AUTHORITY

BOARD MEETING NO.704

JUNE 6, 2014

Minutes of a meeting of the New York State Thruway Authority, held in the conference room of the Thruway Authority's New NY Bridge Project Office, 303 South Broadway Tarrytown, 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 3:20 p.m.

Members Present:

Chairman Howard P. Milstein
Donna J. Luh, Vice Chairperson
J. Donald Rice, Jr., Board Member
Brandon R. Sall, Board Member
Richard N. Simberg, Board Member
E. Virgil Conway, Board Member
Jose Holguin-Veras, Ph.D.

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

Staff Present:

Thomas J. Madison, Jr., Executive Director
William Estes, Secretary and General Counsel
John Bryan, Treasurer and Chief Financial Officer
Jonathan Ehrlich, Special Assistant to the Chairman
Jim Fogarty, Information Technology Specialist
Major Evelyn Mallard, NYS Police Troop T
Michael Shamma, Acting Chief Engineer
John Callaghan, Assistant Director of Canal Corporation
Harry Lennon, Interim Director of Internal Audit
Ted Nadratowski, Interim Director, Maintenance and Operations
Dan Weiller, Director of Media Relations & Communications
Tara Novak, Director of Strategic Planning & Performance Management
Debra Jung, Associate Investment Officer
Keith Fragomeni, Investment Officer
William McDonough, Interim Director of Thruway Assets and Investments
Jerry Yomoah, Board Administrator

Also in attendance:

Karen Rae, Office of the NYS Governor
Jeanine Thompson, Office of the NYS Governor
Murray Bodin, Member of Public
David Spara, Toski & Co.
David Paget, Sive, Paget & Riesel, P.C.
Arthur J. Siegel, Bond Schoeneck & King
Steven Gerber, Gonzalez Saggio & Harlan LLP
Gregory B. Gilmore, Gonzalez Saggio & Harlan LLP
Theresa Juva-Brown, The Journal News

Chairman Milstein called the meeting of the Thruway Authority and Canal Corporation Boards to order. (01:21:16)

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

Item 1 by Mr. Yomoah (Appendix A)
Approval of Minutes of Meeting No. 703 (01:21:16)

Upon motion duly made and seconded, the Board approved the minutes of Meeting No. 703 held on April 3, 2014, which were made available to the Board Members as part of the Agenda.

Item 2 by Mr. Bryan (Appendix B)
Financial Reports for March and April 2014 (01:21:16)

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

Upon motion duly made and seconded, the Board accepted the Financial Reports for March and April 2014.

Item 3 by Mr. Bryan (Appendix C)
Report of Investments for the Quarter ending March 31, 2014 (01:21:16)

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

Upon motion duly made and seconded, the Board accepted the Reports of Investments for the Quarter ending March 31, 2014.

Item 4 by Mr. Bryan (Appendix D)
Authorizing the Executive Director to Execute a Supplemental Contract with The Bank of New York Mellon (Contract C100890) to Increase the Maximum Amount Payable by \$145,000 and to Extend the End Date of the Contract to September 30, 2014 (01:21:16)

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

Upon motion duly made and seconded, the Board unanimously adopted the following resolution:

RESOLUTION NO. 5999
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A SUPPLEMENTAL CONTRACT WITH THE BANK OF NEW YORK MELLON (CONTRACT C100890) TO INCREASE THE MAXIMUM AMOUNT PAYABLE BY \$145,000 AND TO EXTEND THE END DATE OF THE CONTRACT TO SEPTEMBER 30, 2014

RESOLVED, that the Board authorizes the Executive Director or his designee to negotiate and execute a supplemental agreement with The Bank of New York Mellon (BNY Mellon) to increase the maximum amount payable by \$145,000 to \$646,030, and be it further

RESOLVED, that the Board authorizes the Executive Director or his designee to negotiate and execute a supplemental agreement with BNY Mellon to extend the end date of the contract to September 30, 2014 or until a new contract for custody and safekeeping services has been approved by the Office of the State Comptroller 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 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 5 by Mr. Bryan (Appendix E)

Approving the Selection of a Firm for Custody and Safekeeping Services and Authorizing Execution of a Contract for Such Services (01:21:16)

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

Upon motion duly made and seconded, the Board unanimously adopted the following resolution:

RESOLUTION NO. 6000
APPROVING THE SELECTION OF A FIRM FOR CUSTODY AND SAFEKEEPING SERVICES AND AUTHORIZING EXECUTION OF A CONTRACT FOR SUCH SERVICES

RESOLVED, that the selection of The Bank of New York Mellon (BNY Mellon) to provide custody and safekeeping services to the Authority is hereby approved, and be it further

RESOLVED, that the Executive Director be, and hereby is, authorized to execute an agreement with BNY Mellon for the provision of custody and safekeeping services to the Authority on such terms and conditions as deemed to be in the best interests of the Authority, and be it further

RESOLVED, that the Executive Director or his designee shall have the authority to exercise all powers

reserved to the Authority under the provisions of the contract, manage and administer the contract, amend the provisions of the contract consistent with the terms of the item and other Board authorizations and suspend or terminate the contract in the best interests of the Authority, and be it further

RESOLVED, that the costs of such services related to the funds of the Authority for general purposes will be paid by the Authority and services related to the funds of the State bond programs will be funded from the respective administrative funds and that the funding of such costs be, and the same hereby is approved, and be it further

RESOLVED, that the Agreement shall be for a term of five years and shall have a maximum amount payable of \$715,000, and be it further

RESOLVED, that the Chief Operating and Financial Officer be, and hereby is, authorized to charge expenditures for services rendered under such agreements to the appropriated fund provided therefore, subject to reallocation and adjustment as determined by final audit of charges, and be it further

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

Item 6 by Chairman Milstein (Appendix F)
Rescinding Resolution Nos. 5604 and 5627 and Appointing William F. McDonough as Assistant Treasurer and Keith Fragomeni as Assistant Secretary of the Authority/Corporation (00:18:14)

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

Upon motion duly made and seconded, the Board unanimously adopted the following resolution:

RESOLUTION NO. 6001
RESCINDING RESOLUTION NOS. 5604 AND 5627 AND APPOINTING WILLIAM F. MCDONOUGH TO THE OFFICE OF ASSISTANT TREASURER AND KEITH FRAGOMENI TO THE OFFICE OF ASSISTANT SECRETARY OF THE AUTHORITY/CORPORATION

RESOLVED, that Resolution No. 5604 adopted at Meeting No. 660 on May 16, 2007, naming and appointing Michael Sikule to serve in the Office of Assistant Treasurer to the Authority is rescinded, and be it further

RESOLVED, that Resolution No. 5627 adopted at Meeting No. 662 on October 19, 2007, naming and appointing William F. McDonough to serve in the Office of Assistant Secretary to the Authority is rescinded, and be it further

RESOLVED, that the Board hereby names and appoints William F. McDonough to serve in the Office of Assistant Treasurer to the Authority/Corporation, and be it further

RESOLVED, that the duties to be performed by Mr. McDonough, as Assistant Treasurer, shall be those

duties of the Assistant Treasurer as outlined in the Bylaws to the Authority/Corporation, and be it further

RESOLVED, that the Board hereby names and appoints Keith Fragomeni to serve as Assistant Secretary to the Authority/Corporation, and be it further

RESOLVED, that the duties to be performed by Mr. Fragomeni shall be limited to the certification and attestation of signatures, documents and other materials necessary to transact the various debt financings authorized by the Board, and be it further

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

Item 7 by Mr. Estes (Appendix G)

Authorizing the Executive Director to Execute an Amendment to the Agreement for Outside Environmental Counsel for the New NY Bridge Project with Sive, Paget & Riesel, PC (C100423) to Increase the Maximum Amount Payable by \$500,000 (01:21:16)

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

Upon motion duly made and seconded, the Board unanimously adopted the following resolution:

**RESOLUTION NO. 6002
AUTHORIZING THE EXECUTIVE DIRECTOR TO
EXECUTE AN AMENDMENT TO THE
AGREEMENT FOR OUTSIDE ENVIRONMENTAL
COUNSEL FOR THE NEW NY BRIDGE PROJECT
WITH SIVE, PAGET & RISEL, P.C. (C100423) TO
INCREASE THE MAXIMUM AMOUNT PAYABLE
BY \$500,000 AND ALLOCATE THE FUNDS
THEREFOR**

RESOLVED, that the Executive Director be, and he hereby is, authorized to execute an amendment to the

agreement with Sive, Paget & Riesel, P.C. (C100423) for ongoing outside environmental counsel services for the New NY Bridge Project, to increase the maximum amount payable under such agreement by \$500,000, to a new monetary cap of \$4,750,000, and be it further

RESOLVED, that Item BO538.1 of the 2014 Contracts Program provides sufficient funding for the Ninth Amendment to C100423, 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 SP&R Agreement, manage and administer the SP&R Agreement, amend the provisions of the Agreement consistent with the terms of this Item and other Board authorizations and suspend or terminate the Agreement in the best interest of the Authority, and be it further

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

Item 8 by Mr. Madison (Appendix H)
Report to the Thruway Authority and Canal Corporation Boards on Procurement Contracts and Other Agreements Up to \$150,000 Executed by the Executive Director During the Period January 1, 2014 through March 31, 2014 (01:21:35)

Upon motion duly made and seconded, the Board accepted Mr. Madison's report on Procurement Contracts and other Agreements up to \$150,000 executed during the period January 1, 2014 through March 31, 2014.

Item 9 by Mr. Shamma (Appendix I)
Report on the 2014 Capital Program (01:23:11)

Extensive discussion of the Capital Program was undertaken by members of the Board. Mr. Shamma's report was distributed to Board Members and a copy is maintained in the Authority's records along with details of the Board Members' discussion included in the video recording of the meeting.

After full discussion, the Board accepted the report on the Thruway Authority and Canal Corporation 2014 Capital Program.

Item 10 by Mr. Nadratowski (Appendix J)
Authorizing the Executive Director to Execute an Agreement with the Triborough Bridge and Tunnel Authority, Port Authority of NY & NJ and the NYS Bridge Authority to Procure a Consultant to Develop the E-ZPass Customer Service Center RFP (01:25:39)

Extensive discussion regarding procuring a consultant to develop the customer service center RFP was undertaken by Mr. Nadratowski and members of the Board. Details of the Board Members' discussion are included in the video recording of the meeting.

On the motion of Mr. Sall, seconded by Chairman Milstein, without any objections, the Board authorized the Executive Director to Execute an Agreement with the Triborough and Bridge and Tunnel Authority, Port Authority of NY & NJ and the NYS Bridge Authority to Procure a Consultant to Develop the E-ZPass Customer Service Center RFP and adopted the following resolution:

RESOLUTION NO. 6003
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT WITH THE TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY, PORT AUTHORITY OF NY & NJ AND THE NYS BRIDGE AUTHORITY TO PROCURE A CONSULTANT TO DEVELOP THE E-ZPASS CUSTOMER SERVICE CENTER RFP

RESOLVED, that the Executive Director be, and he hereby is, authorized to execute a memorandum of

understanding with the Triborough Bridge and Tunnel Authority, Port Authority of New York and New Jersey, New York State Thruway Authority, and the New York State Bridge Authority to procure a consultant to develop an RFP for the E-ZPass Customer Service Center (“Agreement”), and be it further

RESOLVED, that such Agreement shall be for a term of 3 years with a monetary cap that shall not exceed \$350,360 and be it further

RESOLVED, that the Authority’s Chief Financial Officer be, and hereby is, authorized to charge expenditures for goods and services provided pursuant to such Agreement to the Operating Budget; 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 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 full in the minutes of this meeting.

Item 11 by Mr. Estes (Appendix K)

Authorizing the Executive Director to Execute an Amendment to the Agreement for Outside Legal Services to the Authority/Corporation with Bond, Schoeneck & King PLLC (C010147) to Increase the Maximum Amount Payable by \$500,000 (01:28:12)

Extensive discussion regarding the amendment the existing agreement for outside counsel legal services with Bond, Schoeneck & King was undertaken by Mr. Estes and members of the Board. Details of the Board Members' discussion are included in the video recording of the meeting.

Upon motion duly made and seconded, the Board authorized the Executive Director to Execute an Amendment to the Agreement for Outside Legal Services to the Authority/Corporation with Bond, Schoeneck & King PLLC (C010147) to Increase the Maximum Amount Payable by \$500,000 and adopted the following resolution:

RESOLUTION NO. 6004
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AMENDMENT TO THE AGREEMENT FOR OUTSIDE LEGAL SERVICES WITH BOND, SCHOENECK & KING AS CONTRACTOR AND GONZALEZ, SAGGIO & HARLAN, LLP AS SUBCONTRACTOR (C010147) TO INCREASE THE MAXIMUM AMOUNT PAYABLE BY \$500,000 AND ALLOCATE THE FUNDS THEREFOR

RESOLVED, that the Executive Director be, and he hereby is, authorized to execute an amendment to the agreement (Agreement) with Bond, Schoeneck & King PLLC (BS&K) as Contractor and Gonzalez, Saggio & Harlan LLP (GS&H) as Subcontractor (C010147) for outside legal services to increase the maximum amount payable under such agreement by \$500,000, to a new monetary cap of \$650,000, and be it further

RESOLVED, that the Authority's Chief Financial Officer be, and he hereby is, authorized to charge

expenditures for services rendered pursuant to such Agreement to the Operating Budget, 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 as Amended by the First Amendment, manage and administer the Agreement, amend the provisions of the Agreement consistent with the terms of this Item and other Board authorizations and suspend or terminate the Agreement in the best interest of the Authority, and be it further

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

Item 12 by Mr. Madison (Appendix K)
Authorizing an Amendment to the 2014 Contracts Program for Upstate New York Gaming Economic Development Act Project (01:29:02)

Extensive discussion regarding the Upstate NY gaming projects was undertaken by Mr. Madison and members of the Board. Details of the Board Members' discussion are included in the video recording of the meeting.

Upon motion duly made and seconded, the Board authorized an Amendment to the 2014 Contracts Program for Upstate New York Gaming Economic Development Act Project and adopted the following resolution:

RESOLUTION NO. 6005
**AUTHORIZING AN AMENDMENT TO THE 2014
CONTRACTS PROGRAM FOR UPSTATE NEW
YORK GAMING ECONOMIC DEVELOPMENT
ACT PROJECTS**

RESOLVED, that the 2014 Contracts Program be amended in order to add H38.1, Upstate New York

Gaming Economic Development Act Projects, be, and the same hereby is, approved, and be it further

RESOLVED, that the Chief Engineer be, and hereby is, authorized to execute agreements with Upstate New York Gaming Economic Development Act applicants, or their designees, for the reimbursement of any and all Authority costs associated with these projects, 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 agreements, manage and administer the agreements, amend the provisions of the agreements consistent with the terms of this Item and in accordance with the 2014 Contracts Program Resolution and other Board authorizations, and suspend or terminate the agreements in the best interests of the Authority, and be it further

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

Item 13 by Mr. Shamma (Appendix M)
Authorizing Execution of Eleven Agreements (D214294, D214295, D214296, D214297, D214298, D214307, D214308, D214315, D214316, D214318 and D214277) with Eleven Firms (01:31:43)

Mr. Shamma and members of the Board extensively discussed the execution of eleven agreements with eleven firms. Details of the discussion are included in the video recording of the meeting.

Upon motion duly made and seconded, the Board Authorized Execution of Eleven Agreements (D214294, D214295, D214296, D214297, D214298, D214307,

D214308, D214315, D214316, D214318 and D214277) with Eleven Firms and adopted the following resolution:

RESOLUTION NO. 6006
AUTHORIZING EXECUTION OF ELEVEN
AGREEMENTS (D214294, D214295, D214296,
D214297, D214298, D214307, D214308, D214315,
D214316, D214318 AND D214277) WITH ELEVEN
FIRMS

RESOLVED, that the Chief Engineer be, and he hereby is, authorized to execute eleven agreements (D214294, D214295, D214296, D214297, D214298, D214307, D214308, D214315, D214316, D214318 and D214277) with the eleven firms listed in Exhibit A, attached hereto, provided that sufficient funding has been identified to complete services for the projects through these agreements, with the Maximum Amount Payable of each agreement not to exceed the amount shown in the attached Exhibit A, and such agreements shall be on such other terms and conditions as the Chief Engineer, in consultation with the General Counsel, determines to be in the best interest of the Authority, 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 agreements, manage and administer the agreements, amend the provisions of the agreements consistent with the terms of this Item and in accordance with the 2014 Contracts Program Resolution and other Board authorizations, and suspend or terminate the agreements in the best interests of the Authority, and be it further

RESOLVED, that information relating to each agreement be included in the Chief Engineer's Quarterly Report to the Board on Contracts Program activities which will include the date of execution of each agreement, and be it further

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

Item 14 by Mr. Shamma (Appendix N)
Authorizing Additional Funding for the Award of TANY 14-8I (D214284),
TAB 14-15B (D214305) and TA 14-26C (D214323) (01:34:48)

Mr. Shamma and members of the Board extensively discussed authorizing additional funds for three contracts. Details of the discussion are included in the video recording of the meeting.

Upon motion duly made and seconded, the Board Authorized Additional Funding for the Award of TANY 14-8I (D214284), TAB 14-15B (D214305) and TA 14-26C (D214323) and adopted the following resolution:

RESOLUTION NO. 6007
AUTHORIZING ADDITIONAL FUNDING FOR
THE AWARD OF TANY 14-8I (D214284), TAB 14-
15B (D214305) AND TA 14-26C (D214323)

RESOLVED, that additional funding for the award of TANY 14-8I (D214284), Replacement of Three Variable Message Signs, CCTV and TRANSMIT Sites at Various Locations in the New York Division, to Power Line Constructors, Inc. for its low bid of \$3,066,173.25 be, and the same hereby is authorized, and be it further

RESOLVED, that additional funding for the award of TAB 14-15B (D214305), Fabrication of

Structural Steel and Bridge Bearings for the Four Mile Level Road Bridge over the Thruway in Buffalo Division, to Structal-Bridges, a Division of Canam Steel, for its low bid of \$756,518.65 be, and the same hereby is authorized, and be it further

RESOLVED, that additional funding for the award of TA 14-26C (D214323), Installation of Water and Other Gages in the Mohawk, Oswego and Hudson River Basins, to Power & Construction Group, Inc. for its low bid of \$1,929,700 be, and the same hereby is authorized, and be it further

RESOLVED, that the Executive Director or his designee shall have the authority to exercise all powers reserved to the Authority/Corporation under the provisions of the contracts, manage and administer the contracts, amend the provisions of the contracts consistent with the terms of this Item and other Board authorizations and suspend or terminate the contracts in the best interests of the Authority/Corporation, and be it further

RESOLVED, that this resolution be incorporated in the minutes of these meetings.

PUBLIC COMMENT PERIOD (01:41:26)

There were no registrants for the public commenting period.

ADJOURNMENT AND EXECUTIVE SESSION(01:41:26)

Upon motion duly made and seconded, the Board voted to adjourn the meeting and convene an executive session in accordance with Section 105(1)(e) of the New York State Public Officers Law to discuss matters relating to CSEA lawsuits.

Jerry B. Yomoah
Board Administrator

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.