



MINUTES

NEW YORK STATE THRUWAY AUTHORITY

BOARD MEETING NO. 706

OCTOBER 20, 2014

Minutes of a meeting of the New York State Thruway Authority, held in the conference room of Empire State Development, 633 3rd Avenue, 37th Floor, New York, 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 2:59 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., via teleconference and abstained from voting

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
Brian Stratton, Director of the NYS Canal Corporation
John Barr, Director of Administrative Services
Harry Lennon, Acting Director of Department of Audit & Management Services
John Bryan, Treasurer and Chief Financial Officer
Jonathan Ehrlich, Special Assistant to the Chairman
Frank Macarilla, Information Tech. Specialist
Major Evelyn Mallard, NYS Police Troop T
Michael Shamma, Acting Chief Engineer
Ted Nadratowski, Interim Director, Maintenance and Operations
Dan Weiller, Director of Media Relations & Communications
Nick Foglia, Special Assistant to the Executive Director and Chief Operating Officer
Jerry Yomoah, Board Administrator

Also in attendance:

Murray Bodin, Member of Public
Freda Wang, Goldman Sachs
Kevin Willens, Goldman Sachs
Paul Goetz , SaxBST, LLP
Brendan Kennedy, SaxBST, LLP
Fredy Rivas, SaxBST, LLP
Michela Daliana, Hawkins, Delafield and Wood
Theresa Juva-Brown, The Journal News

Chairman Milstein called the meeting of the Thruway Authority and Canal Corporation Boards to order. (0:29:00)

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. 705 (0:29:40)

Chairman Milstein asked for a motion to approve the minutes of the previous meeting. Upon motion duly made and seconded, the Board approved the minutes of Meeting No. 705 held on August 6, 2014, which were made available to the Board Members as part of the Agenda.

Item 2 by Mr. Bryan (Appendix B)
Review and Approve for Board Action the Financial Report for July and August 2014 (0:29:40)

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

Upon motion duly made and seconded, the Board approved the financial reports for the months of July and August 2014.

Item 3 by Mr. Bryan (Appendix C)
Appointing SaxBST, LLP to Provide Auditing Services, Approving the Scope of Services, the Compensation Terms, the Terms and Conditions for Such Firm and Authorizing the Chairman of the Board to Execute a Contract with SaxBST, LLP for Auditing Services (0:29:40)

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

Upon motion duly made and seconded, the Board appointed SaxBST, LLP to Provide Auditing Services, Approving the Scope of Services, the Compensation Terms, the Terms and Conditions for Such Firm and Authorizing the Chairman of the Board to Execute a Contract with SaxBST, LLP for Auditing Services and adopted the following resolution:

RESOLUTION NO.
**ACCEPTING THE AUDIT COMMITTEE'S
APPOINTMENT OF SAXBST, LLP AND THEIR
AUTHORIZATION OF THE CHAIRMAN TO
EXECUTE A CONTRACT WITH SAXBST, LLP FOR
ACCOUNTING AND AUDITING SERVICES**

RESOLVED, that the Board hereby accepts the Audit Committee's appointment of SaxBST, LLP to serve as the Authority's independent auditor, and be it further

RESOLVED, that the Board hereby accepts the Audit Committee's approval of the scope of services, the compensation terms and the terms and conditions for such auditor contained in the form of agreement attached hereto as Exhibit I, and be it further

RESOLVED, the Board hereby accepts the Audit Committee's authorization of the Chairman of the Board to enter into an agreement with SaxBST, LLP for professional accounting and auditing services for a three-year term with a monetary cap of \$363,740, and be it further

RESOLVED, that the Board hereby accepts the Audit Committee's authorization of the Chairman of the Board, after consultation with the Audit Committee, Executive Director and Chief Operating and Financial Officer to exercise the Authority's option to extend the agreement for one additional two-year term, with a maximum overall contract cap not to exceed \$582,940, if services provided by SaxBST, LLP, during the initial three-year term of the agreement are satisfactory, and be it further

RESOLVED, that the Board accepts the Audit Committee's authorization to the Chairman of the Board (or his designee) to exercise all powers reserved to the Authority under the provisions of the contract to manage and administer the contract, amend the provisions of the contract consistent with the terms of this item and other Audit Committee authorizations and suspend or terminate the contract in the best interests of the Authority, and be it further

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

Item 4 by Mr. Bryan (Appendix D)

Approving the Sixteenth Supplemental Resolution, Authorizing the Issuance of General Revenue Refunding Bonds, Series K, Approving the Forms of Certain Related Documents and Authorizing an Authorized Officer to Execute Any Other Necessary Documents Related Thereto (0:29:40)

The item was advanced to the Board at the recommendation of the Finance Committee.

Upon motion duly made and seconded, the Board Approved the Sixteenth Supplemental Resolution, Authorizing the Issuance of General Revenue Refunding Bonds, Series K, Approving the Forms of Certain Related Documents and Authorizing an Authorized Officer to Execute Any Other Necessary Documents Related Thereto and adopted the following resolution:

RESOLUTION NO.
APPROVING THE SIXTEENTH SUPPLEMENTAL RESOLUTION, AUTHORIZING THE ISSUANCE OF GENERAL REVENUE REFUNDING BONDS, SERIES K, APPROVING THE FORMS OF CERTAIN RELATED DOCUMENTS AND AUTHORIZING AN AUTHORIZED OFFICER TO EXECUTE ANY OTHER NECESSARY DOCUMENTS RELATED THERETO

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, in the opinion of the Authority, as shall be necessary to provide sufficient moneys for achieving its corporate purposes, and be it further

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

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

RESOLVED, that there has been prepared and submitted to the Board a form of Sixteenth Supplemental Revenue Bond Resolution Authorizing General Revenue Refunding Bonds, Series K (the “Series K Supplemental

Resolution”), authorizing an amount up to \$850,000,000 of General Revenue Refunding Bonds, Series K (“Series K Bonds”) to: (i) to refund all or portions of one or more series of outstanding Bonds at any time prior to July 1, 2015, provided, however, that no portion of the proceeds of the Series K Bonds, or any funds released from any funds held under the General Revenue Bond Resolution related to the Refunded Bonds, will be applied to Project Costs of the New NY Bridge Project; and (ii) pay Costs of Issuance relating to the Series K Bonds, and be it further

RESOLVED, that pursuant to the Resolution and the Series K Supplemental Resolution, the Authority intends to authorize the issuance of an aggregate principal amount of up to \$850,000,000 of General Revenue Refunding Bonds, Series K (the “Series K Bonds”), and be it further

RESOLVED, that pursuant to the Series K Supplemental Resolution and in accordance with the Resolution, the Authority intends to issue and to sell its Series K Bonds to the Underwriters pursuant to a Bond Purchase Agreement, the form of which Bond Purchase Agreement has been set before the Board, and be it further

RESOLVED, that the Board approves the form of the Series K 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 K Supplemental Resolution as

may be deemed necessary or convenient to effectuate the purposes thereof, and be it further

RESOLVED, that the Board approves the Bond Purchase 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 K Supplemental Resolution and authorizes an Authorized Officer to execute and deliver such Bond Purchase Agreement and to approve and execute such changes to such Bond Purchase Agreement as may be deemed necessary or convenient to effectuate the purposes thereof, and be it further

RESOLVED, that in connection with the sale of the Series K Bonds, the Board approves the form of the Preliminary Official Statement 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 as may be deemed necessary or convenient to effectuate the purposes thereof, including incorporation of the proposed Authority 2015 budget, as reviewed by staff with the Chairman, and be it further

RESOLVED, that the Board authorizes the distribution of the Preliminary Official Statement relating to the Series K Bonds by an Authorized Officer, in substantially the same form submitted with this item with such changes, insertions and omissions to the Preliminary Official Statement as may be approved by an Authorized Officer, said distribution being conclusive evidence of such approval, and any amendments or

supplements thereto which may be necessary or desirable, and be it further

RESOLVED, that the Board authorizes an Authorized Officer to confirm that the Preliminary Official Statement related to the Series K Bonds is deemed final for purposes of Rule 15c2-12, promulgated under the Securities and Exchange Act of 1934 (“Rule 15c2-12”), except for certain permitted omissions and information not required under said Rule to be included therein, and be it further

RESOLVED, that the Board authorizes an Authorized Officer to execute or deliver, on behalf of the Authority, a final Official Statement relating to the Series K Bonds in substantially the form of the Preliminary Official Statement submitted with this item, with such changes, insertions and omissions as may be approved by an Authorized Officer, said execution or delivery being conclusive evidence of such approval, and any amendments or supplements thereto which may be necessary or desirable. After execution, if appropriate, an Authorized Officer is hereby authorized to deliver to the Underwriters of the Series K Bonds an executed copy or copies of such final Official Statement and any further amendments or supplements thereto, and be it further

RESOLVED, that the Authority intends to incur indebtedness in the maximum principal amount of \$850,000,000 for purposes of refunding certain outstanding Bonds pursuant to the issuance of the Series K Bonds, and be it further

RESOLVED, that the Board approves the Continuing Disclosure Agreement in substantially the form submitted with this item and made a part of this resolution as though set forth in full herein and authorizes an Authorized Officer to execute and deliver such Continuing Disclosure Agreement and to approve and execute such changes as may be deemed necessary or desirable to effectuate the purposes thereof, 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: (i) make any determinations or selections and/or appointments of any necessary or convenient consultants or agents; (ii) execute any additional certificates, agreements or other documents necessary to facilitate the authorization, sale, issuance and delivery of the Series K Bonds; (iii) accomplish the other purposes of this Resolution, including but not limited to agreements with securities depositories and documents relating to credit enhancement; and (iv) 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 5 by Mr. Shamma (Appendix E)
Report on the 2014 Capital Program (0:30:43)

Chairman Milstein next called upon Mr. Shamma to update the Board on the Capital Program. His 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 6 by Mr. Shamma (Appendix F)
Authorizing Additional Funding for the Award of TAS 14-33A (D214335) and TANE 14-38B (D214345) (0:38:44)

Chairman Milstein then called upon Mr. Shamma to present the item requesting additional funds for two projects. Details of the presentation and discussion with Board Members are included in the video recording of the meeting.

Upon duly motioned, seconded and without any objections, the Board authorized Additional Funding for the Award of TAS 14-33A (D21 4335) and TANE 14-38B (D214345) and adopted the following resolution:

RESOLUTION NO.
AUTHORIZING ADDITIONAL FUNDING FOR THE
AWARD OF TAS 14-33A (D214335) and TANE 14-
38B (D214345)

RESOLVED, that additional funding for the award of TAS 14-33A (D214335), Rehabilitation/Renovation of Various Structures at the Port Bryon Old Erie Canal Heritage Park in the Syracuse Division, to Bouley Associates, Inc. for its low bid of \$3,090,314 be, and the same hereby is

RESOLVED, that an additional sum of \$726,453.50 be, and the same hereby is, allocated toward contract TAS 14-33A from bid savings and other adjustments made to the 2014 Contracts Program, and be it further

RESOLVED, that additional funding for the award of TANE 14-38B (D214345), Rehabilitation of Old White Plains Road Bridge over I-95 (MP NE9.55) in the New York Division, to ELQ Industries, Inc. for its low bid of \$820,202.60 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 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, and be it further

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

Item 7 by Mr. Shamma (Appendix G)
Authorizing the Execution of Six Agreements (D214334, D214339, D214340, D214341, D214325 and D214343) with Five Firms (0:41:36.0)

Chairman Milstein then asked Mr. Shamma to present the item related to six agreements with five engineering firms. Details of the presentation and discussion with Board Members are included in the video recording of the meeting.

Upon duly motioned, seconded and without any objections, the Board authorized the Execution of Six Agreements (D214334, D214339, D214340, D214341, D214325 and D214343) with Five Firms and adopted the following resolution:

RESOLUTION NO.
AUTHORIZING THE EXECUTION OF SIX
AGREEMENTS (D214334, D214339, D214340,
D214341, D214325 and D214343) WITH FIVE FIRMS

RESOLVED, that the Chief Engineer be, and he hereby is, authorized to execute six agreements (D214334, D214339, D214340, D214341, D214325 and D214343) with the five 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 8 by Mr. Barr (Appendix H)
Authorizing the Executive Director to Execute a Contract With Energetix Corporation to Provide Drug and Alcohol Testing Services for Authority and Canal Corporation Employees (0:45:34.6)

Chairman Milstein then invited Mr. Barr to present the item related to drug and alcohol testing services for employees. Details of the presentation and discussion with Board Members are included in the video recording of the meeting.

Upon duly motioned, seconded and without any objections, the Board authorized the Executive Director to Execute a Contract With Energetix Corporation to Provide Drug and Alcohol Testing Services for Authority and Canal Corporation Employees and adopted the following resolution:

RESOLUTION NO.
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT WITH ENERGETIX CORPORATION TO PROVIDE DRUG AND ALCOHOL TESTING SERVICES FOR AUTHORITY AND CANAL CORPORATION EMPLOYEES

RESOLVED, that the Executive Director be, and hereby is, authorized to execute an agreement with Energetix Corporation to provide U.S. Department of Transportation, U.S. Department of Homeland Security and U.S. Coast Guard mandated drug and alcohol testing services for both Authority and Canal Corporation employees (“Agreement”), and be it further

RESOLVED, that the Agreement shall be for a term of five years, the cost of these services is anticipated

to be \$61,233 for each of the years 2015, 2016 and 2017 and \$62,401 for each of the years 2018 and 2019 for a maximum amount payable for the five year term of \$308,501, and be it further

RESOLVED, that the Agreement 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

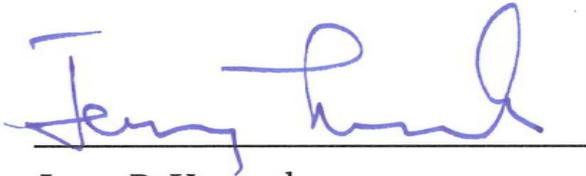
RESOLVED, that the Executive Director or his designee shall have the authority to exercise all powers reserved to the Authority under the provisions of the Agreement, to manage and administer the Agreement, amend provisions of the Agreement consistent with the terms of this item and other Board authorizations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

RESOLVED, that the Director of Thruway Finance be, and hereby is, authorized to charge expenditures for services rendered under such Agreement to the appropriate funds 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.

ADJOURNMENT (0:50:29)

Upon motion duly made and seconded, the Board voted to adjourn the meeting at 3:20 p.m.



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.