
Joanne Mahoney: (No sound)

Dave Malone: ...this is an increase of \$28.4 million dollars or 4.8% compared to year to date of 2022 with the vast majority of the increase being a result of higher interest earnings in the elevated interest rate environment that we're in. Through August, passenger traffic was up 4.7% and commercial traffic down 1.7% compared to 2022. Since August, so during the months of September, October, and beginning part of November, we have seen traffic levels trending down slightly in relation to the same period in 2022. This aligns with our most recent traffic forecast which I'll go over in more detail during the presentation today on our 2024 budget, a later item on today's agenda. Toll revenue through August was \$546 million representing an increase of less than 1% or \$4.6 million compared to 2022. In line with those traffic trends previously mentioned, passenger revenue was up 5% or \$15 million, and commercial revenue down 4% or \$11 million. In comparison to our 2023 budget, the original budget approved at the beginning of the year through the end of August, revenues were approximately \$38.2 million or 6 ½% above the original plan with the increase being driven by a combination of traffic being above the original forecast that was in place at the beginning of the year, and higher interest earnings that I previously mentioned. On the operating expense side, operating expenses year to date through August were \$246.5 million, noted in the financial statements is that in 2022, expenses through August were overstated due to an issue with how we improved for cashless tolling administrative costs. This issue was completely resolved before the end of 2022, so it has had no impact on any financial results, but it is to be taken into consideration when we compare August of 23 vs. August of 22. So, after adjusting for that issue, for 2023 year to date operating expenses exceeded 2022 levels or in excess of 2022 levels by \$5.2 million or 2.2%, with the increase primarily being due to higher personal service costs and health insurance costs with higher health insurance rates. In comparison to the 2023 budget, the operating expenses through the end of August were about \$18.5 million or 7% below what was planned in the original budget but as we go through the remainder of the year, we believe 2023 operating costs are going to end up right about the original plan and I'll talk about that in more detail as part of the budget presentation for that. With that I can answer any questions regarding the July and August financial reports.

Bob Megna: Now, where I used to work, people would just say oh it was time. So, I'll wait for when you get to it. Any other questions for Dave? If not, can I have a motion to advance this item?

Dr. Veras: Moved.

Bob Megna: A second?

Norman Jones: Second.

Bob Megna: All in favor, aye.

All: Aye.

Bob Megna: Opposed? The motion is approved. That gets us to three approval of the Authority's investment transactions for the third quarter of 23 and again, Dave will present.

Dave Malone: This item seeks the Finance Committee's approval to advance to the full Board the investment report for the third quarter of 2023. Exhibit A in the report details all investments purchased during the third quarter of the year, and exhibit B details the investments held as of September 30, 2023, the last day of the quarter. These exhibits are submitted in accordance with the Authority's investment policy approved at the March 23 Board meeting. During the third quarter, we purchased \$4.6 billion dollars of investments comprised of \$2 billion dollars in Thruway Authority funds, \$2.6 billion in state personal income tax revenue bond program funds, and \$12.4 million in state trust fund bond program funds. As of the last day of the quarter, we held \$2.7 billion dollars of investments with the breakdown of \$1.1 billion for Thruway Authority funds, \$1.6 billion of the state and personal income tax revenue bond funds, and \$8.9 million in state trust bond funds. The average yield for the Thruway Authority fund was 5.3% with a weighted average maturity of 42 days, it is an increase of about 26 basis points or one quarter of 1% compared to the second quarter of 2023. With that I can answer any questions that the committee has.

Bob Megna: Questions for Dave? Given that, can I have a motion to advance this item?

Norman Jones: So moved.

Dr. Veras: Second.

Bob Megna: All in favor?

All: Aye.

Bob Megna: Any opposed? The motion is approved. Item 4 which we will also hear from Dave is review and approve for Board action the 2023 revised budget and the 2024 proposed budget.

Dave Malone: Thank you. So, we can give a slide show presentation here. So, this item seeks the Committees approval to advance to the full board of the revised 2023 budget, proposed 2024 budget. As you'll see, as I go through the presentation, the 2024 budget and the 2024 through 2028 capital program puts to use the additional revenues generated by the recently approved toll adjustment to improve and maintain the condition of the thruway system. And we'll go over that in detail as we go through this.

The overall 2024 budget is a \$1.3 billion dollar commitment consisting of \$483 million for operating costs, and that's split \$412 million dollars for direct Thruway costs and \$71

million dollars to reimburse the State of New York for State Police Troop T costs, \$364 million dollars for debt service costs, and \$451 million dollars for capital costs. \$114 million or 9.6% increase compared to our revised 2023 budget with the vast majority of the increase being related to the higher spending levels on the capital program.

This next slide shows our actual traffic for 2022, our forecasted traffic for 2023 and 2024. The revised traffic forecast for 2023 calls for us to end the year \$190.6 million transactions consisting of \$330.2 million passenger transactions which is a 3% increase compared to 2022, and \$60.4 million commercial transactions which is 2.1% decrease compared to 2022. Just for an idea of where we were last week, passenger traffic is up 3.6%, commercial traffic is down 1.9%. So, we're tracking slightly above the forecast, as of right now. Traffic for 2024 is forecasted to be 382.6 million transactions which is a decrease of 2% or 8 million transactions compared to the revised 2023 levels. This consists of passenger traffic forecasted down to 1.5% and commercial traffic down 4.8% compared to 23. This is a forecast that is prepared by our traffic engineers and there are several factors tied into the forecast; one is economic indicators in the real period of growth in the first half of 2024. Some leveling out of Ecommerce, so it kind of peaked during COVID and now it's kind of plateaued out and they're saying Ecommerce represents about 15% of sales and has been at that level for a while after we've gotten out of COVID. Indications of improved shipping efficiencies by Ecommerce retailers which basically means that E-commerce's are finding more efficient ways of shipping the same amount of goods in smaller packages, so they need less commercial traffic, and a nominal amount of traffic diversion for higher toll rates.

Bob Megna: How much is that piece?

Dave Malone: The last piece, I don't have the exact percentage but it's minimal. I think it's also important to note when you look at this forecast, there is a conservative approach taken here and if you look at where the forecast was at the beginning of 23 vs. where we ended up now, it's up quite a bit from the original forecast. So, something to be aware of.

So, what that means for our revenue 2023 revenues are forecasted to be \$919.8 million, increase of about \$3.7 million or less than 1% compared to 2022 levels, so essentially flat compared to 2022. And then in 2024, revenues from tolls and related fees are forecasted to be just under \$1.04 billion dollars which is an increase of \$165.76 million or 19% above revised 2023 levels. Again, this increase is due to toll adjustments approved in September that go into effect on January 1st, 2024.

Bob Megna: Given the traffic estimates, basically all of them right, because you're not really traffic growth is down.

Dave Malone: Yes, traffic growth is down, so this is all related to the toll adjustments, yes. Revenue from sources other than tolls and related fees including leases, interest and other

sundry revenues are forecasted to provide an additional \$49 million resulting in total estimated revenues for 2024 being just under \$1.09 billion dollars.

As far as operating expenses go, the revised 2023 budget for Thruway operating expenses is essentially unchanged compared to the original 2023 budget where it's going up a couple million dollars. This is where you get into some issues with timing and some uncertainties here at the end of the year, specifically there are some costs associated with the implementing cashless tolling customer service improvements. They are going to hit, it's a matter of whether they're going to hit in 2023 or 2024. And the other part of that is the winter storms as we go through the last 6 weeks of the year, here. That can always have a big impact on our budget. So, depending on how much it snows.

Looking at 2024 the proposed budget for Thruway operating expenses is \$411.9 million, an increase of \$11.3 or 2.8%. This increase is primarily due to two reasons; one is an increase in personal service costs associated with new labor agreements with our teamster and CSE representative employees. These labor agreements, one of which is on today's agenda for approval, essentially mirror agreements stating New York reached with the major unions representing their employees. The second factor driving this increase is an increase in pension costs associated with higher employee contribution rates which are set by the State Comptroller.

Bob Megna: How much are those gone up?

Dave Malone: There's different rates for the different tiers, but on average, its going from 13.1% to 15.2%.

Bob Megna: Thank you.

Dave Malone: The 2024 budget calls for 1,952 budgeted positions, budgeted positions are represented by the blue line on this chart, and as you can see, has essentially been unchanged since 2021. The red line on the chart shows our actual head count for the years of 2021 through 2023, and a projection for 2024, the downward trend we're seeing continues. Some of what you're seeing here is improved efficiencies, but it also reflects the challenge of tracking and retaining employees that I think we're facing as well as the State of New York is facing so.

This slide to me is the most important component of our 2024 budget, and the 2024-2028 capital program. It shows how we are using additional revenues generated by the recently approved toll adjustment to improve and maintain the Thruway system. The top half of this slide shows a financial commitment of just over \$2.4 billion dollars for the period of 2024 through 2028 with \$450.9 million of that to be spent in 2024. To put some perspective of what this investment will accomplish. During this five-year period, work will be performed on approximately 50% of our lane miles and 90 of our 817 bridges. By comparison, the lower half of the slide shows the five-year plan enacted last year. That

plan was a \$1.9 billion dollar commitment. So, you can see directly as a result of the toll adjustments approved in September, we have increased our planned capital investment over a five-year period by nearly \$500 million dollars. That concludes my presentation and with that I can answer any questions.

Bob Megna: Thank you Dave. Any questions for Dave?

Dr. Veras: In terms of revenues in transactions, commercial traffic gets 20% from the toll, but in terms of revenues what percentage goes to commercial versus passengers?

Dave Malone: It's pretty close to an even split, yeah. So, within the 2024 budget, out of the total toll revenue number we talked about, \$550 million, so it isn't an exact split, sorry, \$550 million come from passenger traffic and \$435 million from commercial traffic.

Dr. Veras: Basically, a reduction of 4% is significant.

Dave Malone: In commercial traffic, it is yeah.

Bob Megna: Other questions for Dave?

Joanne Mahoney: I do. Yes, I have a question. On that screen where you showed staffing levels and you talked about the inability to acquire and retain talent, with the projected staffing levels where you have them going, is it affecting our storm readiness? Are we going to be able to handle the storms that we know are coming at the current staffing levels?

Jim Konstalid: I'll grab that Madam Chair. Yes, we did adjust the salaries for operators last year shortly after DOT did theirs, they called it a DO increase and we are able at this time to both recruit and retain our truck drivers and we didn't do that consciously with DOT but we did it shortly after. I think we're running just shy of 30 vacancies right now which is pretty solid for us. So, yeah, definitely should not be an issue.

Joanne Mahoney: Okay, that's an important distinction to make. I know that staffing levels being down affect operations generally but in terms of an acute problem with a storm that we're able to respond and handle that is important. And then, I do see on the agenda that Rich, you're going to go over the capital program in more detail, but I will say kudos on the budget front because we're doing what we committed to the public as we went through the toll increase, public hearings, and the reasons why it was necessary after a long period without increases that we were going to direct these resources to our infrastructure and our capital program, and I'm very encouraged to see that right out of the gate year 1, we are true to our word, so thank you very much.

Bob Megna: Any other questions for Dave? I would agree with the comments made by the Chair. I would also say that some place in your presentation sticking in the percentage of the new toll money that's going for capital as opposed to operating which is the vast

majority would be like a good thing for everybody to be talking about, because I agree with the Chair that was the commitment when we increased tolls was that we were going to help maintain the road and bridges. Thank you. Alright, any other questions for Dave? If not, can I have a motion to advance this item?

Dr. Veras: So moved.

Norman Jones: Second.

Bob Megna: All in favor?

All: Aye.

Bob Megna: Any opposed? The motion is approved. So, as we have already eluded the next item 5 is review and approval for the 2024 Capital program and Rich Lee will present.

Rich Lee: Thank you, good afternoon. Today, I'm requesting approval of the 2024 Thruway contracts program staff in conjunction with the Authority's 2024 budget, working close with Dave's folks have prepared contracts for approval. The Thruway Authority's estimated cash flow for 2024 is projected to be slightly over \$391,283,000. Exhibit A breaks down how we plan to spend these funds. How much will go to highway projects, bridge projects, Governor Mario M. Cuomo Bridge, intelligent transportation system, other facilities, and such. The list of projects scheduled to be let in 2024 is also attached in Exhibit B of the item. It should be noted that Exhibit B lists nearly \$500 million in lettings and improve the number of multiple year projects. I think that builds upon some of the comments a minute ago that we did get this influx of additional toll adjustment monies and we're trying to get out of the gate hitting things quickly and get the money out to the facility where it's needed and what we promised everyone. So, if you have any questions beyond that, I'm pleased to answer them.

Bob Megna: Questions for Rich? If not, do I have a motion to advance this item?

Dr. Veras: So moved.

Bob Megna: Second.

Norman Jones: Second.

Bob Megna: All in favor?

All: Aye. Any opposed? The motion is approved. With that, we are at the end of our main agenda, is there any other business that needs to be conducted? If not, I would move that we adjourn. Can I have a motion to adjourn?

Dr. Veras: So moved.

Bob Megna: Second.

Norman Jones: Second.

Bob Megna: All in favor?

All: Aye. We are adjourned.

Joanne Mahoney: Thank you very much, Bob. Up next is the Audit Committee chaired by Dr. Veras and it's membership includes Bob Megna and myself. Jose, will you please convene the meeting of the Audit Committee?

Dr. Veras: Absolutely. Thank you, Chair Mahoney. The first item is the minutes of the Audit Committee number 59, may I have a motion?

Bob Megna: So moved.

Joanne Mahoney: Second.

Dr. Veras: Any further discussion? All in favor?

All: Aye.

Dr. Veras: Any opposed? The motion is approved. The next item is review and approval of 2024 all the internal audit planned projects that will be presented by Mary Boehm.

Mary Boehm: Good afternoon, Chair and Board Members. On behalf of the Department Audit Management Services, I formally submit to you the 2024 Audit Plan and Projects. If you have any questions, I'll be happy to answer.

Dr. Veras: May I have a motion to approve?

Norman Jones: So moved.

Bob Megna: Second.

Dr. Veras: All in favor?

All: Aye. Any opposed? The motion is approved. The next item on the agenda is the approval of the audit plan for the year ending December 2023. Mr. Brendan Kennedy from BST and Company will present it.

Brendan Kennedy: I'm going to take a few more minutes than the internal audit. I'm going to work largely off of this document right here that's on the screen. So, we're presenting our audit plan from the 2023 audit for the New York State Thruway Authority. Flipping past the cover page on the table of contents, these are the different areas that we cover as far as presentation. We will talk about our scope of services, the team approach. I'll make some planning communications to you folks and just confirm BST's independence. So, moving onto the scope of services, we will be performing a financial statement audit of the Thruway for the fiscal year ending December 31st, 2023. The audit will be performed in accordance with both US generally accepted auditing standards and government auditing standards. With that comes a report on internal controls over financial reporting and compliance in other matters. That has come to be referred to as the yellow book report. We will also do an audit on your compliance with the investment guidelines as Dave was talking about earlier, there are certain requirements you have to adhere to, and there's a separate examination that goes along with that requirement. Also, if we spend in excess of \$750,000, I haven't confirmed yet if we've reached that benchmark, we will do what's known as a single audit in accordance with the uniform guidance, that's our grant audit. And then we'll make our required communications in accordance with our professional standards to the extent we have any recommendations on internal controls or improvements to processes, we will issue a benchmark. The team, the good news is our team has remained largely consistent with the prior year. This is my fifth and final year, as you folks know. The audit partners require to rotate after five years of service. I will be anchored by Jonathan Gibbs. Jonathan has been assisting on this engagement for the last ten years. I wanted to highlight our teaming partner, Team Avaloria and as we speak, I'm also in the process of working with a WBE firm to help supplement us. There is a firm in Long Island that I've known for years, and they recently received their WBE designation, I'm in the process of talking with them.

Moving on, BST will be responsible for all services, it will be my name signing the report. Team Avaloria will be supporting us, they work directly with the team in the field, they come on-site, they use BST laptops and work cohesively with the team. We've had a great experience with them. This team also works with KPMG quite often on a lot of the state work audits statewide and single audits. So, they're a great resource and a great team partner to add as part of the Thruway Authority audit as well.

Just confirming management's responsibilities. Management is responsible for the preparation of financial statements. They are responsible for developing and maintaining internal control to the extent that they were aware of any deficiencies or material weaknesses, they would indicate those to us. And they are responsible for providing us with access to all the information we need as well.

Our responsibility is to conduct an audit in accordance with both US GAAS and government auditing standards issued by the Attorney General. There are a number of audit procedures that come along with conducting those audits, there is an element of professional judgment and then one of the things we do is also assess the appropriateness

of the county policies. We obtain reasonable assurance that financial statements are free of material error in order to obtain absolute, we would have to audit virtually every single transaction, and no one would want to pay for that. An audit is not designed to detect fraud that is immaterial to the financial statements, so what we'll be looking for is fraud that will materially impact transactions, fraud that would misstate financial statements and that kind of activity will be reported immediately to those in charge with governance.

Flipping onto our audit methodology. No real change in our audit methodology from prior years. It's a 4-phase audit approach consisting of preplanning, planning phase, field work, which is the real guts of the audit, and then the reporting component. BST subscribes to RSM, RSM is a large national firm, so our audit approach in audit quality materials is identical to that of RSM.

Terms of timing, those preplanning activities go on throughout the year. We are constantly working with Thruway Authority staff on accounting matters, available for consultation throughout the year. Our planning procedure is where we start getting into some of those processes and account balances, typically starts, usually it's mid-December and January, sometimes we've made it out in November. The guts of the audit, that takes place in February and early March. And all of this is circulated to meet our 90-day filing deadline, so all of this has to be buttoned up 90 days after fiscal yearend which takes us to the end of March, and that's typically when we meet with you folks to present the final results as well.

Just a couple of pictorials here, I think I included these in the prior years. These are just examples of some of the tools we've used. A lot of this came about in terms of COVID, all these tools to aggregate live data. It's actually where we post our client request list. We do plan to be on-site here working at the Thruway Authority we have some renovated space down there which we enjoyed last year. But this just a couple of pictures on some of the tools that will be used on our dashboard for audit requests.

Key areas of audit focus have remained largely consistent. There are a lot of areas that we have to touch as part of financial statement audit. And they are all listed here from our cash investment to revenue and receivables and obviously there's a significant amount of capital assets that we have to audit. Included in the cash and investment management section of that in compliance with the New York State Investment Guidelines, that's a separate deliverable that we issue to you folks.

Continuing on, again, some of the more standard significant audit areas we have to focus on, accounts payable or expense cut off. Looking at your accruals, your estimation process, then some of those significant economy estimates and reserves. Bonds and related accounts, we have to confirm those balances, we will review interest and expense, recalculate the premiums for gains, discounts, etc. And to the extent there's any compliance elements of bonds as well. Under operating expenses, this is something I do like to highlight in my government audits. I do like to look at source documentation. As

a governmental organization, I want to see that the money going out the door has followed the procurement process, has gone through the proper protocols for approval and that those kinds of expenses are adequately recorded.

One new accounting standard for us to even consider. This is kind of a sister or brother standard to GASB 87. GASB 87 was the leases accounting standard that we implemented last year. GASB 96 is very similar but it deals with Subscription-Based Technology, so there is a lot of agreements out there whereby we are essentially using third-party software. We have an agreement to use that, a multiyear agreement, and is standard, deals with that accounting requirements for those types of arrangements. Management of the Authority is aware of this. They are currently working on it and the other plus associated with this is that you can use the same software that you use for GASB 87, so I'm blanking as to which one the Thruway Authority used, but they have processes in place to deal with this kind of scenario. So, we will report back to you folks at the end of the audit on the implication of this particular subject.

Single Audit – while we're performing the financial audit, we will also conduct our single audit and will review your grants and determine which of those are required for the audit. So, that's all part of the Planning Phase. The extent we can do dual tests, we can test the compliance of these transactions and how they correlate with financial audit, we will do that as well.

And then as soon as the single audit is done that has to be filed with the clearing house within 30 days. There is a new software system that we're not BST, but the federal government is using. It's pretty intuitive and shouldn't be too much for us to get all that filed on time. So, there is a whole review and reporting process. First, all the work is completed by us in charge and reviewed by management level people. And I will perform the partner review and then finally we pass this off for a quality control review. It goes to someone completely independent of the audit engagement that reviews the auditor reports to make sure they're compliant, not only with professional standards but accounting requirements and auditing standards, and at that point, we are going to release our draft report for you folks.

Consideration of fraud. In addition to all those things we do, consider fraud in the conduct of our audit, one of the things we do is meet with the internal audit and meet with other department heads to get a sense of what's going on, and we will incorporate any of those ideas into our audit plan. So, as long as you have a plan in place, it can be fluid and so to the extent anyone has anything they'd like to discuss with us or any areas of concern, we are more than welcome to discuss those with you privately, and again, incorporate those into our approach.

One of the things we do we go through and look at journal entries and we'll examine bank statements for out of sequence statements, and we'll make inquiries, and it hasn't been determined just yet, but we will always incorporate an element of unpredictability. So,

while there's a number of things you see that we have to do, we have to audit cash, we have to audit this, we typically pick some areas that may not get as much attention, they may not even be that significant, but we will incorporate that element of unpredictability into the audit because sometimes small problems can turn into big problems. So, if there's anything that we catch as far as that, we will present that for your consideration as well.

Communication: The Authority to BST. It's important for you folks to let us know your concerns, any areas of focus that you want us to think about as we conduct our audit. BST, while we present to you guys only a couple of times a year, we're here year-round. We're available for conversations and discussions. So, I encourage you to reach out with anything you'd like to go through. Consequently, we will make our communications to you timely. So, typically when we present in March, if there is anything of substance that we came across, we would be speaking with you well in advance of that meeting in March. So, to the extent that we come across anything whether it's with management or third parties, we will actively communicate that to you folks through the audit there and the rest of the board.

Bob Megna: Can I ask a question? It's not, this is not a commentary on this group of management, which I think is fantastic at the Thruway Authority, but when does the Board get involved in getting notified if there are issues?

Brendan Kennedy: If I found something and it has happened in the past where I reached out to the former Audit Committee Chair with conversations about subjects. We discuss with them, we've done a little extra audit work and at that point, we are going to clear the issue. But it would be if we found there was maybe an allegation that someone had made, or we came across transactions that we didn't feel comfortable or were adequately supported, or may have circumvented our process, at that point, I would go directly to the Audit Chair and let them know what's going on.

Mary Boehm: And also internally, I have direct reports for the Chair. So, if there was something that did come up at that point, then I would reach out.

Brendan Kennedy: We work for the Board, we work for the Audit Committee, we don't work for management, so you will be our direct line of communication if there was anything that came across our audit.

Heather Mulligan: I have a question. We have fiberoptic rights of way that we generate revenue from, would those contracts in any way implicate, either GASB 96 or the former leasehold change from last year or the year before?

Brendan Kennedy: Yes, those that were a factor made in the GASB 87 adoption.

Heather Mulligan: Okay, so we would show that in that asset?

Male: Yeah, so, what that standard did is, for those that know all the accounting nerd guys, there used to be a concept that there are operating lease and capital lease, and a capital lease was something you would put on your books as a liability and an asset and depreciate that. And essentially what GASB 87 did for governments is it threw out the concept of an operating lease. And so, when you enter into a multiyear arrangement to lease something, say a piece of equipment or property, you essentially have a right to use asset and then you have a capital lease or a lease liability. And then on the reverse side, if you are leasing something to somebody, you have a lease receivable and you kind of hang that up on your balance sheet as a deferred inflow which means it came under revenue and then that's amortized into income over time.

Heather Mulligan: Okay, so it can kind of distort where your balance looks at compared to before.

Brendan Kennedy: It could yes, for summarizations, you have this massive lease receivable on the books and then the balance sheet goes up. It's not my favorite accounting standard, it's the accountant employment act, there hasn't been, I hope GASB isn't listening, there hasn't been great accounting standard in my mind for quite some time here. So, it ends up being a bit of a balance sheet gross up to some extent. I mean think about it operationally, your total cash position doesn't change, it's not like you're getting more money as a result of this accounting standard. So, it's just that, it's a bit of extra bookkeeping for Dave and his team.

Heather: Thank you.

Brendan Kennedy: Independence. I'll simply confirm to you folks that BST is independent. When we have clients particularly like the Thruway Authority, we have our list of municipalities that have issued securities, obviously, we're not committed to buy any of those. We take our independence very seriously. Like I said before, we work for you, we work for the board, we don't work for management, and we make sure that any of the of the non-audit services we provided, I don't believe we do, but if there were any non-audit services, we would make that clear as well before auditing services. So, I am here today to certify that we are independent with respect to the Authority. With that, those were my fair comments, happy to answer any questions you folks have, and as I mentioned if you think of your question or your comment tomorrow or the next day, next week, next month, don't hesitate to contact me, I'm more than happy to speak with you.

Dr. Veras: Questions? May I have a motion to advance this.

Bob Megna: So moved.

Norman Jones: Second.

Dr. Veras: All in favor?

All: Aye.

Dr. Veras: The motion is approved. Other business. There be no other business, may I have a motion to adjourn?

Bob Megna: So moved.

Norman Jones: Second.

Dr. Veras: All in favor?

All: Aye.

Dr. Veras: This concludes the meeting of the Audit committee, and the meeting is adjourned.

Joanne Mahoney: Thank you very much, Dr. Veras. And next up is the Governance Committee which is chaired by Heather Mulligan. Its membership includes Dr. Veras and myself. So Heather, the floor is yours.

Heather Mulligan: Thank you, Chairman Mahoney. The first item is the approval of the minutes of Governance Committee meeting #35. May I have a motion to advance and discuss the item?

Dr. Veras: Moved.

Bob Megna: Second.

Heather Mulligan: All in favor?

All: Aye.

Heather Mulligan: Any further discussion? Any opposed? Motion is approved. The next item on the agenda seeks the Committees approval to authorize the Acting Executive Director to implement the New York State Thruway Authority's ten-year strategic plan and Erika Beardsley will present.

Erika Beardsley: Thank you. The Thruway Authority has been committed to creating a long-term strategic plan that focuses on safety, operational excellence, customer service, infrastructure integrity, fiscal responsibility, and environmental stewardship. Our fundamental goals help guide the collaborative meetings with departments and divisions. These fundamental goals are listed as optimizing our resources to meet current and future service delivery needs, exploring new revenue sources to fund capital and operating needs,

delivering services that continuously improve the customer experience, foster, and promote teamwork that is consistent with our operating principles, focus and support systematic driven decisions, and finally, create an environment for diversity and inclusion to flourish. As a result, we created and refined both reasonable and aspirational goals for the organization over the next ten-years. In total, there are 41 goals; 7 safety goals focused on employee health and safety as well as the traveling public, 9 operational goals targeting internal operations, hiring, onboarding, off-boarding, performance, and modernization. 4 customer service goals focus primarily on EZ-Pass operations, building space for future consideration to listen to the voice of the traveling public. 12 infrastructure integrity goals include both physical and technology infrastructure. 4 fiscal responsibility goals target revenue, diversification, reducing un-paid and unbillable transactions. And finally, 5 environmental stewardship goals focus on sustainability, use of the right of way facilities, Executive order 22, increase charge and capabilities consistent with the national electric vehicle infrastructure plan. The Authority will evaluate and document our progress over the course of each year and evaluate the goals annually. We are seeking committee approval to advance and award the ten-year strategic plan.

Heather Mulligan: Thank you. Is there any question or questions for Erika? May I have a motion to advance this item?

Dr. Veras: Moved.

Bob Megna: Second.

Heather Mulligan: All in favor?

All: Aye.

Heather Mulligan: Any opposed? Motion carries. The next item on the agenda is approval of procurement contract policy, Andrew Trombley will present.

Andrew Trombley: Good afternoon, Chair Mahoney, and Acting Director of Board and members of the Governance Committee and Board members. It is an honor to be here with you today. I am here to present procurement contract policy number 25-5-01 for review and request to advance the items to the full board for approval. This policy first recommended last December maximizes procurement opportunities for minority women and service-disabled veteran owned businesses. Streamline and standardizes Authority's policies consistent with other New York State Public Authorities. It has improved our customer service and time of delivery of special services in our department of Human Services. The Authority has already seen the benefit of last year's changes in this policy and would appreciate your support moving forward. Therefore, it is requested that the Governance Committee approve this item and authorize your consideration for the full board. Thank you for the opportunity to speak with you today. And I would be happy to answer any questions you may have.

Heather Mulligan: Any questions or discussion? May I have a motion to move it. Second? All in favor?

All: Aye.

Heather Mulligan: Motion carries. The next item on the agenda is to review and approval of the Sexual Harassment policy. Selica Grant will present.

Selica Grant: Good afternoon, Madam Chair, committee members, and board members. This item is a modification to our current Sexual Harassment policy. So, on April 12th, 2018, a law was passed that required the New York State Department of Labor in consultation with the New York State Division of Human Rights to produce a model Sexual Harassment Prevention policy. On July 6, 2022, Governor Kathy Hochul announced the New York State Department of Labor would update this nation leading Sexual Harassment Prevention policy. And that was done on April 11th, 2023, the updates revitalized. So, our harassment policy was consistent with the minimal standards that's why we are recommending minor modifications that provide strength and guidance regarding topics such as remote workers, gender discrimination, and retaliation.

Heather Mulligan: Thank you. Any discussion or questions? I would entertain a motion to advance this item to the full board. Second? All in favor?

All: Aye.

Heather Mulligan: Any opposed? The motion carries. Is there any other business to come before the Governance Committee? There being no further business, may I have a motion to adjourn today's meeting of the Governance Committee? Second. All in favor?

All: Aye.

Heather Mulligan: This concludes the Governance Committee, and the meeting is adjourned, thank you.

Joanne Mahoney: Thank you very much, Heather. And at this time, I'd like to call to order the Board Meeting of the New York State Thruway Authority. The scheduled meeting has been duly noticed as required by the Open Meetings Law. May I have a motion to enter the Full Board Meeting?

Dr. Veras: So moved.

Bob Megna: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: We are now in the full meeting of the board. Our first order of business is the public comment period for speakers to address items on today's agenda. Julie has anyone signed up or sent in written comments regarding today's agenda?

Julie: No.

Joanne Mahoney: Alright, that concludes the public comment period for today's agenda. The next order of business is the approval of the consent agenda. May I have a motion to approve consent items 1 through 8?

Norman Jones: So moved.

Heather Mulligan: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: Any opposition? The 8 board items and resolutions are approved. Moving onto the action agenda. Authorization for the Acting Executive Director to execute a collective bargaining agreement between the Thruway and local 58 New York State Thruway's Public Service Employees Association. Selica, will you please present?

Selica Grant: Yes, thank you, Madam Chair. This item would allow the Acting Executive Director to executive a collective bargaining agreement with CSEA. CSEA represents the employees in negotiating unit 2 which is comprised of professionals, supervisory, and technical employees. The agreement will be effective as of July 1, 2022, until June 30th, 2026. The agreement was ratified by the members of CSEA on November 9th, 2023, and the elements that were negotiated mirror those negotiated previously by New York State.

Joanne Mahoney: Alright, so it likely includes a retro payment by the sounds of things.

Selica Grant: It does.

Joanne Mahoney: Okay, any questions for Selica? Alright, hearing none, can I have a motion to advance?

Bob Megna: So moved.

Dr. Veras: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: Any opposition? The motion is approved. And the next agenda item is yours as well, Selica for the Well Now Contracts please.

Selica Grant: Yes, thank you again, Madam Chair. This item authorizes the Acting Executive Director to execute a contract with Well Now Urgent Care Practice PCs to provide off-site authorization of medical services for Thruway Authority employees in the divisions of Albany, Syracuse, and Buffalo. This contract is in the amount of \$506,130.00 with the option to renew for 1 addition two-year term. The Authority is required to provide medical surveillance testing for employees that are exposed to specific hazards during their work duties in accordance with the US Department of Labor, Occupational Safety and Health Administration. Unfortunately, there was only one proposal for the New York Division, and they did not demonstrate the prior experience required to successfully provide the required services, and therefore the Authority issued a no award. We are in the process of issuing a new RFP for the New York division.

Joanne Mahoney: Alright, any questions, any discussion, comments? Yes, Jose.

Dr. Veras: Question, why? Do you have any sense about only one proposal was submitted?

Selica Grant: I don't think that there were perhaps enough qualified candidates that thought they would be able to meet the need that the Authority was looking for. New York is typically a harder area to get vendors that would be in our price point and have the required qualifications.

Joanne Mahoney: Any other questions or discussion? The way the camera is, I can only see the right side of the table, so I don't know if there's questions coming from the other side. There you go, thank you very much, thank you. So, Norm, you might have had a lot of questions, but I couldn't see you, sorry. I'm probably backwards, right? Okay with respect to the Well Now Contract, are there any more questions or comments? Alright, hearing none, can I please have a motion to advance this item?

Bob Megna: Can I ask a dumb question? I'll advance the item, but why are we voting on something we're not doing?

Joanne Mahoney: Selica go ahead.

Selica Grant: Will you rephrase the question for me?

Bob Megna: We're not hiring someone, so what are we doing?

Selica Grant: We are hiring someone for the three divisions, Well Now is for Albany, Syracuse, and Buffalo. We had to...

Bob Megna: I gotcha.

Joanne Mahoney: When you heard redo New York.

Bob Megna: I am good, I have a motion to advance the item.

Heather Mulligan: I'll second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: Any opposition?

Norman Jones: One question, who had the contract in the past, the New York section?

Selica Grant: I do not have that information, but I can get that for you.

Norman Jones: Okay.

Joanne Mahoney: Okay, the motion is approved. And we will move onto agenda item No. 11 authorizing the Acting Executive Director to execute a contract for Grant Writing Services. Erika Beardsley will present, please.

Erika Beardsley: Thank you. The Thruway Authority is actively seeking additional funding opportunities and has recently formalized a grants management program. As we continue to look for opportunities that we believe will increase our chances with a grant writing services contract. We issued a focused request for proposal on August 10th, 2023, four proposers responded by September 21st, 2023. Based on the weighted scores of evaluation criteria, Strategic Development Solutions was found to be fully responsive, we are seeking board approval to move forward with the contract C010734 with Strategic Development Solutions for a 2-year term plus 3 one-year options for renewal for a value not to exceed \$452,000.

Joanne Mahoney: Thank you, any questions or any discussion? Alright, may I please have a motion to advance?

Bob Megna: So moved.

Heather Mulligan: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: Seeing no opposition, the motion is approved. Agenda items 12 and 13 are going to be handled from Jim Konstalid, so Jim start with No. 12, please.

James Konstalid: Certainly, thank you and good afternoon, Madam Chair, Board members. Item No. 12 authorizes the Executive Director to execute grant C010724 with L3Harris to provide the Authority with land radio assistance services. During the last several board meetings, I have presented to the replacement and upgrade of the Authority's land radio system, this included frequency analysis with APSCO, the Association of Public Safety Communication Officials, which we are also a member, and most recently our agreement with NYSTEC, New York State Technology Enterprise Corporation for assistance in creating our land radio system IFP for future assistance and implementation of that. Those prerequisites have all been in preparation for this agreement. The Authority's land radio system is connected to almost every part of our maintenance forces and state police troop T's day to day operations in our highway system. The competitive selection process was followed according to the Authority's procurement process and procedure. Request for proposals was issued on November 7th of 2022, and the Authority received 4 proposals by the April of 2023 meeting. The proposals were evaluated, scored by an evaluation committee representing maintenance and operations and integration technology here at the Thruway. L3Harris was the selected proposer. L3Harris is a Rochester, New York based company with extensive experience and design end to end solutions including portable radios, mobile radios, base stations, infrastructure, and consoles. The agreement term is for 10 years with the option to renew for two 5-year periods. The maximum amount payable for the term of the contract will not exceed \$152 million. The Department of Maintenance and Operations has funding available in the 2023 operating budget and capital program and will continue to allocate appropriate funding for subsequent budget years through the end of the agreement. I will now pause for any questions you may have.

Joanne Mahoney: Any questions? Alright, may I please have a motion to advance?

Bob Megna: So moved.

Dr. Veras: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: Seeing no opposition, the motion is approved. And agenda item No. 13, Jim, please.

James Konstalid: Thank you, Madam Chair. Item 13 authorizes the Acting Executive Director to execute and remit No. C010709 Kapsch TrafficCom USA Incorporated. The item seeks to wave competitive procedures for the single source contract Kapsch for all electronic toll collection systems maintenance around the clock fault monitoring, repair parts and materials. Kapsch was originally selected to implement automatic toll collections as a result of RFP 13C13 resulting contract was executed on June 13th, 2014, and the implementation of the system has since been completed. The system's proprietary caption has a life expectancy of 10 more years. Processing a single source agreement with Kapsch will enable the Authority to continue to collect tolls using this system in 8 phase 1 barrier sites and 21 phase T terminus and main watt sites. The term of this agreement will begin on June 13, 2024, in a maximum amount payable not to exceed \$97 million. Department of Maintenance and Operations have sufficient funds in the budget to cover the costs of 2023. The department will continue to allocate funds in subsequent years, to continue to fund the department's parts, materials, and services pursuant to this agreement. I will pause for any questions you may have.

Joanne Mahoney: I have a question. Did you just say that the agreement starts in June of 2023?

James Konstalid: The term of this agreement, yeah, June 13th, 2024, I'm sorry.

Joanne Mahoney: Okay, thanks. Any questions or discussion? Alright, may I please have a motion to advance?

Norman Jones: So moved.

Dr. Veras: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: The motion is approved. Agenda item No. 14 will be presented by Diana Nebiolo. The floor is yours.

Diana Nebiolo: Good afternoon. This item is authorizing an increase in the amount payable for a memorandum agreement we have with the Triborough Bridge and Tunnel Authority Project Management Services to oversee the New York Customer Service Transition Project. In January of 2022, the Board authorized the Authority to enter into this MOA with TBTA to reimburse them for our share of costs of consulting services provided by Gannet Fleming for the project management and oversight of the New York Customer Service Center Transition Project. As you may know, the customer service center is currently operated by a third-party vendor and handles all customer service matters related to EZ-Pass. At that time, the Board authorized \$622,501 which was the Authority's one-

third cost share for the two-year term. The costs are equally shared among the Authority, TBTA, and Port Authority of New York and New Jersey. Today I'm seeking approval to increase the Authority's one-third share by an additional \$207,128. The Authority's cost share would now total \$829,630. We believe that increasing Gannet's support and resources is an important step in the effort to not only meet the contractual goal for the coming months, but to ensure that this transition project is delivered within scope to maintain the highest standards of cashless tolling from both the systems and customer service perspective. I'd be happy to answer any questions you may have.

Joanne Mahoney: Any questions or discussion? Hearing none, may I please have a motion to advance this item?

Norman Jones: So moved.

Bob Megna: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: Any opposition, the motion is approved. And Andrew Trombley will you please present agenda item No. 15, please.

Andy Trombley: Yes, thank you. Good afternoon again, everyone. Board approval is requested for amendment #2 to the Authority's contract number CM04893 with Ask Reply, Incorporated doing business in New York as E2Gnow. This contract is necessary to continue to provide the Authority with integration and maintenance services statewide Minority, Women Business Enterprise tracking systems known as New York State Contract System. The second amendment will extend the current contract with the same terms as the Department of Economic Development's contract and increase the maximum amount payable to \$150,000. The Department of Procurement Services has funds in our budget that will be allocated to this project. And with your approval, we will process an amendment to the contract with E2Gnow, for the amount agreed upon. If you have any questions, or need additional information, please don't hesitate to ask any questions.

Joanne Mahoney: Are there any questions for Andrew? Andy, I just want to say that I appreciate the focus on continual efforts to diversify our contracts, our vendors, who does business with the Authority. As you and I have had the opportunity to talk about in the past, its hard work and it won't happen without a deliberate focused effort, and I appreciate the work you and your team are doing on this.

Andrew Trombley: Thank you, and I would be remiss not to say that it takes the full support of the Board through the Chair, also the Executive Director, as well as everyone sitting around this table that have all bought into this process, and we're all doing a great job for

that. We continue to maximize opportunities that are available. Like I said, it's a real partnership.

Joanne Mahoney: Yeah, well then thank you also to everybody that Andy just listed, it makes me proud to work for an organization that puts this level of attention and work into this important effort. We are not where we need to be, and we won't get there without this kind of work. So, thank you. If there are no more questions and is no more discussion, may I please have a motion to advance this item?

Dr. Veras: So moved.

Bob Megna: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: The motion is approved. Josh Klemm will present agenda item No. 16 for us, please.

Josh Klemm: Good afternoon, Madam Chair and members of the Board. This item is authorizing an agreement with Telecommunications provider for the use of the New York State Thruway Authority's Fiber Optic System. I am pleased to present to you an item which if approved, will demonstrate the Thruway's support of local municipal broadband expansion initiatives. Erie Net Local Development Corporation has requested the use of the New York Thruway Authority's fiberoptic system for their own use. The assets to be leased to the user for a term of 20 years and detailed in Exhibit 2. Total fees payable by the user to the Authority are \$25,380, and the breakdown of such is contained in Exhibit 1. I'll pause this time for any questions you may have.

Joanne Mahoney: Any questions, any discussion?

Norman Jones: Yes, could you share what you shared with me earlier?

Josh Klemm: Sure, so this particular activity is pertained to the expansion of local municipal service out in Erie County, and we are currently conversing with our peers in the state on additional initiatives that we can partake in to leverage Thruway Authority's asset to expand broadband services into other certain areas. There are some very exciting things that are in the pipeline that I think we will share very confidently with you all at a coming meeting and we're looking forward to being a critical component to this state's broadband expansion initiatives.

Norman Jones: I just think it's so important that the Authority is in the light by not only providing transportation and make sure the roads and bridges are safe, but you are also

providing a benefit to the community as a whole, and it's important that you get that out there as we service the actual digital super highway but also providing transportation but we are also serving the digital super highway access to areas that don't have it or didn't have it. So, that's important.

Josh Klemm: Yeah, it's a very exciting opportunity for us to show our support for those communities, and they're the primary audience that we're looking to serve first. So, as soon as these become effectuated, the groups that will benefit immediately are the groups that are underserved today that are just in our corridor.

Bob Megna: No, I agree with Norman's point, I might add to it that I think a secondary group that I think is not inconsistent with this group you're working in, I think you really do need to reach out to the public university system in this state and I know we've talked about that in the past as well as the private universities who just line the Thruway corridor, and I know there is some exciting opportunities I think in technology development that universities would love access as well. So, it's another I think great opportunity for us.

Josh Klemm: There certainly are and we heeded your advice and prior request, the conversations are happening, so I'm happy to say definitively, not sure exactly how things will play out, but I think there will be some really exciting things to share with you in 2024.

Bob Megna: Great, and I'm happy to push on the other side.

Joanne Mahoney: Excellent, excellent. Any other discussion or questions for Josh? Alright, may I please have a motion to advance this item?

Norman Jones: So moved.

Bob Megna: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: The motion is approved. And Rich Lee will present the next 6 items for us. Rich, the floor is yours.

Rich Lee: Okay, thank you and good afternoon, again. I will present a total of 6 items, all of them request authorization to execute an MWB. Item No. 17 is for D214954 which is an agreement for Material Testing Services – New York Division. It has a maximum amount payable of \$750,000, we have a 3-year term with an option to extend for one additional 2-years. Three firms submitted letters of interest, all three were shortlisted. The selected firm in this case is Advance Epstein Company, Incorporated. Any questions?

Joanne Mahoney: Any questions? Alright, may I have a motion to advance?

Bob Megna: So moved.

Dr. Veras: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: The motion is approved.

Rich Lee: Okay, item No. 18 is for D214955, an agreement for Material Testing Services, again in the New York Division. It has a maximum amount payable of \$750,000, it also has a 3-year term with an option to extend for an additional 2-years. In this case, two firms submitted letters of interest, both of which were shortlisted. Atlantic Testing Laboratories, Limited is the selected firm.

Joanne Mahoney: Any questions? Alright, may I please have a motion?

Bob Megna: So moved.

Dr. Veras: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: The motion is carried. No. 19 please.

Rich Lee: Item No. 19 is for D214956, an agreement for Construction Inspection Support Services - New York Division. It has a maximum amount payable of \$2 million, it has a 2-year term with an option to extend one additional year. Fifteen firms submitted letters of interest, four were shortlisted. Hardsey and Hanover, LLC is the selected firm and this, as most of our engineering contracts have a 30% MWBE goal and a 6% SDVOB goal.

Joanne Mahoney: Any questions? Alright, may I please have a motion?

Bob Megna: So moved.

Dr. Veras: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: The motion is approved. Next.

Rich Lee: Item No. 20 for D214957, an agreement for Material Testing Services, in the Albany and Syracuse divisions. It has a maximum amount payable of \$750,000, a 3-year term with an option to extend for an additional 2-years. One firm submitted a letter of interest, that firm was shortlisted and Atlantic Testing Laboratories, Limited is the selected firm.

Joanne Mahoney: Alright, I'm kind of interested in why you think we just had one firm interested. Atlantic Testing Laboratories?

Rich Lee: Yeah, for these internal testing and this is something we've struggled with for a number of years. These types of material testing services are kind of a niche specialized service, and the contracts tend to be somewhat smaller contracts, so a lot of the larger firms, maybe aren't that interested in them. So, we've been trying to do some things over the years to get greater interest, spreading the word, making the contracts a little bit larger. I think last year these contracts were like \$300,000 apiece. So, it's something we've been struggling with and we're just trying to get a broader based firms interested in doing this kind of thing.

Joanne Mahoney: Okay, thank you.

Bob Megna: Is this stuff Rich we have to do outside, can you do it internally? Is it worth doing internally?

Rich Lee: Well, these are the folks who you know will call up in the afternoon and say, "You guys go to this concrete plant or that asphalt plant or this project." And it's not just closed to the Thruway itself. Sometimes these plants are in other states. So, it would be difficult just to have enough staff to be able to do this. I mean, generally we get good service from these fellows, and we're happy with it. It's just that there are just not a lot of them, and people are busy. They don't want to work out there as well, especially in winter.

Bob Megna: Thank you.

Joanne Mahoney: Any more questions? Alright, may I please have a motion please?

Bob Megna: So moved.

Norman Jones: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: The motion is approved. And we will move onto agenda item No. 21 with the note that Heather...

Heather Mulligan: I am stepping out for discussion of this item, and someone hopefully will let me know when you're done.

Joanne Mahoney: I was just going to tell you all that Heather has a conflict. Okay, Rich, the floor is yours.

Rich Lee: Okay, item No. 21 is for D214958, an agreement for Environmental Design Support Services Statewide. It has a maximum amount payable of \$2 million, it is a 3-year term with an option for one additional 2-years. It has a 30% MWBE goal, and 6% SDVOB goal. Eleven firms submitted letters of interest, four were shortlisted. And the firm selected is Hunt Engineers Architect, Land surveyors and Landscape Architect, EDC. Any questions on this one?

Joanne Mahoney: Hearing none, may I please have a motion please to advance?

Norman Jones: So moved.

Dr. Veras: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: Seeing no opposition, the motion is approved. And I'm guessing you're getting Heather back. So we will move onto agenda item No. 22 please.

Rich Lee: Item No. 22 is for D214959, an agreement for Bridge Design Support Services Primarily in the New York Division. It has a maximum amount payable of \$4 million, it has a 3-year term agreement with an option for an additional 2 years. It has a 30% MWBE goal and a 6% SDVOB goal. Eleven firms submitted letters of interest, five were shortlisted. And Hardsey and Hanover, LLC is the selected vendor.

Joanne Mahoney: Any questions? Alright, may I please have a motion?

Dr. Veras: So moved.

Heather Mulligan: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: The motion is approved. Thank you, Rich, for that and I have the job of presenting the 2024 Board of Directors Meeting Scheduled which I hope you have all seen, Julie if they haven't, I'm hoping you can provide it to folks. Are there any questions or concerns or discussion about the meeting agenda for next year? Alright I will make the motion to approve the meeting agenda. Can I have a second?

Dr. Veras: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: Any opposition? Alright, the motion is approved. And that brings me to my second which I'm very happy to present a Board resolution honoring and recognizing the service of Tanya Morris. Tanya, Board Secretary and Executive Assistant, has retired from the New York State Thruway Authority effective October 30th, 2023. Tanya served as the Board Administrator and Executive Assistant since December 19th, 2019. Tanya Morris began her career in state service in 1986 as an Assistant to an Attorney in the Council's Office for Governor Mario Cuomo. In 1988, Tanya's strong work ethic and can-do attitude, led to a secretarial promotion in the Office of Gubernatorial appointments. In this position, Tanya demonstrated invaluable administrative expertise in providing support to the appointment's officers throughout the rigorous nomination and legislative confirmation processes. In 1995, Tanya began work at the Thruway Authority assisting the Board Administrator in managing the affairs of the Board of Directors. Her career at the Thruway Authority continued as she moved onto the Engineering Department in 2001 playing a vital support role in administering consultant and engineering contracts essential for the maintenance and rehabilitation of the Authority's infrastructure assets. The next chapter and significant milestone of Tanya's career began in 2012 when she was promoted to the position of Executive Assistant to the Executive Director and Chief of Staff. Over the next eleven years, Tanya provided invaluable council and support to numerous executive directors and chiefs of staff. Tanya also had a knack for listening, everyone throughout the Thruway knew her and could come to her if they had an issue. Tanya would help connect entry level staff with civil service exams and other job opportunities to advance their careers. She was definitely the eyes and ears of the Executive Office and earned the informal and very affectionate title of Queen Bee. Tanya's role further expanded in 2019 when she took on the duties of Board Administrator assisting the Chair and Board members in fulfilling their duties as the Governing body of the Thruway Authority. Tanya was instrumental in helping the board and executive team continue to work throughout the COVID 19 pandemic, the transition to all electronic toll collection, and her diligence moved critical board actions through the process. Today, we are honoring Tanya's contributions to the Thruway Authority. Tanya has been a tremendous

asset to me personally as board chair for the past 8 years, and I know I speak for my colleagues when I say we will certainly miss her. Tanya, we wish you all the best in your retirement, congratulations on a job well done. I don't know if there are any questions about the resolution, or discussion, or further comments?

Bob Megna: I would just add to the comments that you made, Chair Mahoney. I was one of those people with no experience that Tanya helped to move along, and she did it in a very professional and very good way, even when she knew that the guy, she was talking to had really no idea what he was talking about. So, I second all of the important and wonderful things that you said about her, and I wish her a good retirement.

Joanne Mahoney: Thank you, Bob. I was thinking about you when I talked about the numerous executive directors that she has helped along the way. If there are no further comments, may I please have a motion to advance a board resolution honoring Tanya M. Morris?

Heather Mulligan: I'll move.

Joanne Mahoney: And I see a second. All in favor?

All: Aye.

Joanne Mahoney: And with unanimous support and gratitude, the motion is approved. Thank you, Tanya. We will now move to receive staff reports. The first will be presented by Andy Trombley and the second will be the Executive Director's report. So, Andy.

Andrew Trombley: That's a tough act to follow. But good afternoon, one last time. I'm here to present the attached report on Procurement Contract Agreements up to \$500,000 executed by the Acting Executive Director during the period of July 1st, 2023, through September 30th, 2023. As you can see, we have the attached exhibit and 3 professional services contracts executed. All three were amendments to existing contracts. Please note that two were single sole source contracts with New York State, and therefore for not eligible (indistinguishable) opportunities. Thank you for the opportunity to speak about this topic with you today. I'd be happy to answer any questions you may have.

Joanne Mahoney: Any questions on the contracts report? I don't think we need to vote on that, thank you very much, Andy. And now we'll turn the floor over to Frank for the Executive Director's report.

Frank Hoare: Thank you, Madam Chair, members of the board. I just want to thank you for your authorization on the budget on capital plan, and our strategic plan today. Those plans, that support will enable the Thruway Authority to accomplish its mission on providing and delivering a safe and reliable road for all New Yorkers. As it's been noted, 570 miles of superhighway, 817 bridges, and it takes a lot of work, and we are fortunate to

have very dedicated staff out in the four divisions, and here in the headquarters building. Again, we note that the Thruway is not in the state budget. We receive no tax dollars or no dedicated federal funding, so almost all the money that is received by the Thruway comes from our tolls, and we in turn, as you heard from our capital program report, that's poured back into the maintenance, the operations, and the building on that Thruway system and on those bridges. So, thank you for that. The weather is dropping, and we are starting to get prepared for snow and ice season. But as you noted earlier, Chair, that work actually began months ago, and we have over 600 dedicated staffers. We have over 400 vehicles, and 112,000 tons of salt already to go, and to make sure again, that we meet the winter season appropriately, and again that we maintain our mission on providing a safe and reliable road.

Next item is just sort of bitter/sweet, as it always is. Our Chief Engineer, Richard Lee is retiring at the end of this month, so this is his last board meeting. Rich is leaving us after 41 years of dedicated state service. So, we thank you for that for your talent, your experience, your integrity, your judgment in serving the state and the Thruway. You will be missed, so again, thank you very much for that service.

And then just finally, on a personal note, thank you, it's been an extraordinary year. A lot of it we didn't imagine as we sat here a year ago this month, but we had a tremendous year, a lot happened, a lot was accomplished. We faced a lot of issues, and that could not have been done without the support of you, Madam Chair, members of the Board, and this extraordinary staff that we have sitting around this table. So, thank you, and thanks to the men and women who are out, almost 1,800 men and women that are the Thruway Authority and show up to work every day and just do their job. So, thank you on that.

Joanne Mahoney: Thank you very much for that report, Frank. And I was thinking Rich, when you were finishing up your 6th contract, whether that was going to be our last opportunity to hear from you in a professional setting. I hope you won't be a stranger and I wish you all the best on a well-deserved retirement. Thank you on behalf of the Thruway Authority for your service. Are there any, I'm sorry, go ahead Rich.

Rich Lee: No, I mean I appreciate the fact that I've been here for 7 years and I appreciate the fact that the Board placed some confidence in me and allowed me to work with all these folks, they are truly professionals, they have a lot of passion for what they do, they figure out ways to make our highways kind of run smoother and run safer, and it's been a great pleasure. I've had a lot of jobs throughout my career, and by far, this was the best one. So, thank you very much.

Joanne Mahoney: Thank you. Alright and now we will move onto the second public comment period for general Thruway Authority matters. I can report that no one has shown up in the Syracuse Board room to make any comments. I don't know if that is the case in Albany, Julie do you have anybody there who would like to comment today?

Julie: No, we don't have anyone.

Joanne Mahoney: Alright, that will conclude the Public Comment period. Is there any other business before the Board? Alright, hearing none, that will conclude the formal agenda for the November 14th, 2023, Board meeting. I would like to extend a heartfelt thank you to everyone in attendance today, and also would like to send a special thank you to our staff who worked tirelessly to organize and produce the meeting for us. As we approach the holiday season, I encourage you to cherish moments with your loved one. We the members of the New York State Thruway Authority Board of Directors wish the entire Thruway family a season filled with good health, peace, joy, and I hope no overeating. With no more business for us today, may I please have a motion to adjourn today's meeting?

Bob Megna: So moved.

Heather Mulligan: Second.

Joanne Mahoney: All in favor?

All: Aye.

Joanne Mahoney: We are adjourned, and I will see you all on Tuesday, January 23rd, 2024, at 1:00 p.m. for our next meeting. Thank you all.