

MINUTES OF THE REGULAR MEETING OF THE
NEW YORK STATE BRIDGE AUTHORITY

HELD AT HEADQUARTERS, HIGHLAND, N.Y. ON
January 20, 2011

Business agenda documents/reports are mailed to the Board Members and General Counsel one week prior to the meeting. Board meetings are web cast and copy of the web cast is kept as part of the Board meeting files.

IN ATTENDANCE:

BOARD MEMBERS:

Sproat, James P., Chairman
Vecellio, Francis N., Vice Chairman
Dressel, Roderick O., Commissioner
Gerentine, Richard A., Commissioner
Higgins, Roger P., Commissioner
Lashua, C. Vane, Commissioner
Ramaglia, Joseph, Commissioner

Carl G. Whitbeck, Jr., Counsel

OFFICERS:

Ruggiero, Joseph., Secretary
Bushek, Brian., Treasurer

Chairman Sproat called the meeting to order at 3:25 PM. Chairman Sproat called for a motion to adopt the minutes of the December 16, 2010 Regular meeting. On motion of Vice Chairman Vecellio, seconded by Commissioner Lashua, the minutes of the December 16, 2010 Regular meeting were adopted unanimously.

INFORMATION TECHNOLOGY:

1) Port Security Monthly Procurement Report

Mr. Herd indicated at the July 2010 Board Meeting that the Board approved a not to exceed amount of \$1,200,000.00 for equipment procurement. Procurement has started for the installation of the ITS/Video Installation Project at the Bear Mountain Bridge. Mr. Herd further indicated that at the November Board meeting an additional \$500,000.00 was requested to complete the procurement for the ITS/Video Installation Project bringing the total to \$1,700,000.00. Mr. Herd went on to say that, of the total funding available for procurement for the ITS Project, the expenses for this month are \$6,800.00, leaving a balance of \$388,218.78. No action was required by the Board.

2) General Electronic Data Processing EDP

Mr. Herd stated that in December 2010 the General Electronic Data Processing (EDP) Consultant Contract received approval and was awarded to Dr. Theodore Mankovich. For the fiscal year 2011 the Authority developed a scope of consulting services for Dr. Mankovich estimated at 690 total hours which is the same as last year. Mr. Herd recommended to the Board that the General Electronic Data Processing Contract addendum be awarded at a total cost not-to-exceed amount of \$86,250.00 which is identified in the approved 2011 Information Technology Operating Budget. A brief discussion relative to the specifics of the scope of work and the training that the Information Technology department is receiving. Chairman Sproat called for a motion. On motion of Commissioner Gerentine, seconded by Vice Chairman Vecellio, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 010-148
Resolution Date: January 20, 2011

WHEREAS the Board of Commissioners has reviewed the memorandum and scope of consulting services for the General Electronic Data Processing Consultant; and

WHEREAS, the Authority has established a consulting contract with Dr. Theodore Mankovich for these services; now therefore

BE IT RESOLVED; that an addendum to contract BA-2011-OO-001-PS is established for a not-to-exceed amount of \$86,250.00.00

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is hereby authorized and directed to take the necessary measures to implement this resolution.

IN WITNESS WHEREOF, this resolution has been duly adopted this 20th day of January, 2011.

Joseph Ruggiero, Secretary

ADMINISTRATION:

1) E-ZPass IAG Annual Assessment for 2011

Mr. Russo indicated to the Board that the Authority received an invoice for the annual assessment as a member of the E-ZPass Interagency Group (IAG) for 2011. The IAG is the operating structure comprised of the member agencies that facilitate operational consistency, reciprocity and shared decision-making with respect to E-ZPass and its implementation. Mr. Russo further indicated that the Authority is a full voting member of this organization and as a "small" member agency the Authority's annual assessment for 2011 remains unchanged from previous years at \$17,500. Chairman Sproat called for a motion. On motion of Commissioner Higgins, seconded by Vice Chairman Vecellio, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 010-149
Resolution Date: January 20, 2011

WHEREAS, the Board has been presented with an annual renewal assessment for its membership in the Interagency Group (IAG) at a cost of \$17,500 in accordance with the E-ZPass IAG Operating Agreement ; and

WHEREAS, the Authority agrees that is necessary to maintain its membership in the IAG to continue its E-ZPass electronic toll operations ; now therefore

BE IT RESOLVED that this payment to the IAG for its 2011 annual assessment is hereby approved at a cost not-to-exceed \$17,500; and

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is hereby authorized and directed to take the necessary measures to implement this resolution.

IN WITNESS WHEREOF, this resolution has been duly adopted this 20th day of January 2011.

Joseph Ruggiero, Secretary

2) E-ZPass IAG Special Assessment for 2011

Mr. Russo indicated that last January he reported to the Board that the Executive Management Committee of the IAG was preparing a resolution to establish a one-time, special assessment to cover expenses associated with the IAG's share of validation testing in connection with the new technology procurement. The RFP provided for the two "short-listed" vendors to contribute \$2M each for the equipment testing with the IAG member agencies contributing the balance. Mr. Russo further indicated that the provisions of the resolution for the Special Assessment gave discretion to each agency as to how they would be invoiced, in calendar year 2010 or 2011 or apportioned between the two calendar years. Mr. Russo apprised the Board that the Authority opted to defer its invoice until 1st Qtr of 2011 and prepared its operating budget accordingly. Mr. Russo went on to say that the Authority's share of the Special Assessment is \$27,500 which is due February 28, 2011. Mr. Russo added that at this time there is no anticipated additional assessment, but the procurement testing is ongoing and the final costs have not been determined. Chairman Sproat called for a motion. On motion of Commissioner Gerentine, seconded by Commissioner Lashua, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 010-150

Resolution Date: January 20, 2011

WHEREAS, the Authority is a full voting member of the E-ZPass IAG Executive Management Committee (EMC); and

WHEREAS, the E-ZPass IAG EMC unanimously passed a resolution on February 11, 2010 authorizing a special assessment to its member agencies to cover the IAG costs associated with validation testing in connection with its new technology procurement; and

WHEREAS the Authority is a participant in the new technology procurement; and

WHEREAS the Authority's share of the special assessment as a "small member" agency is \$27,500 and is now due for payment; now therefore

BE IT RESOLVED that this payment to the IAG for the Authority's share of the special assessment is hereby approved at a cost not-to-exceed \$27,500; and

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is hereby authorized and directed to take the necessary measures to implement this resolution.

IN WITNESS WHEREOF, this resolution has been duly adopted this 20th day of January 2011.

Joseph Ruggiero, Secretary

ENGINEERING:

1) 2011 In-House Capital Plan

Mr. Moreau stated that based upon the most recent inspections, the Maintenance and Engineering department, along with the Authority's General Consultant developed both an update to the 5-year capital plan and a series of in-house capital improvements. Mr. Moreau indicated that these in-house projects are necessary and can be accomplished with the Authority's own forces. Significant savings is generated by performing these tasks in-house vs. by contract. Mr. Moreau recommended authorizing \$1,476,497.00 for the 2011 In-House Capital Improvement Program to the Board. Mr. Moreau added that a presentation on the current needs of the Authority's Capital Program will be made at the February Board meeting. After a brief discussion relative to absorbing costs in the Operating Budget, Chairman Sproat called for a motion. On motion of Commissioner Gerentine, seconded by Commissioner Higgins, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 010-151

Resolution Date: January 20, 2011

WHEREAS, the New York State Bridge Authority has determined that it is in the public interest to authorize the in-house capital projects listed in the January 10th memo from the Engineering Department; and

WHEREAS, the Authority continues to invest in cost saving measures utilizing our in- house maintenance skills wherever practical; and

WHEREAS, the scope of work for these projects has been developed by the Engineering Department and determined to be necessary for the continued safe and efficient operation of the bridges by the General Consultant; now therefore

BE IT RESOLVED that this Board authorizes the 2011 In-House Capital Projects in the amount of \$1,476,497.00; and

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is hereby authorized and directed to take the necessary measures to implement this resolution.

IN WITNESS WHEREOF, this resolution has been duly adopted this 20th day of January 2011.

Joseph Ruggiero, Secretary

2) Jobs in Progress Monthly Report

Mr. Moreau presented the Engineering Jobs in Progress Report for the month of December and indicated that the Command Center is near completion. Chairman Sproat called for a motion. On motion of Vice Chairman Vecellio, seconded by Commissioner Higgins the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 010-152

Resolution Date: January 20, 2011

WHEREAS, the Board has reviewed the monthly Engineering Progress Report on Capital Project Status; and

BE IT RESOLVED that the Engineering Progress Report is accepted as an instrument documenting the Board's briefing of Capital Construction activities; and

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is hereby authorized and directed to take the necessary measures to implement this resolution.

IN WITNESS WHEREOF, this resolution has been duly adopted this 20th day of January 2011.

Joseph Ruggiero, Secretary

FINANCIAL:

1) Investment Report

Mr. Bushek reviewed with the Board the Investment Report for the month of December indicating low interest rates slightly rising. Chairman Sproat called for a motion. On motion of Commissioner Ramaglia, seconded by Vice Chairman Vecellio, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 010-153

Resolution Date: January 20, 2011

WHEREAS, the investment control procedures for the New York State Bridge Authority provide that the Board shall review and approve the report of investment transactions completed since the meeting of the Board on December 16, 2010; now therefore

BE IT RESOLVED the New York State Bridge Authority does hereby concur with and approve the investment report as filed with this body on this date for the purpose noted; and

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is hereby authorized and directed to take the necessary measures to implement this resolution.

IN WITNESS WHEREOF, this resolution has been duly adopted this 20th day of January 2011.

Joseph Ruggiero, Secretary

2) 2010 Toski, Schaeffer & Co., P.C. Engagement Letter

Mr. Bushek informed the Board that during the audit of internal controls performed by Toski, Schaefer, & Co., it was brought to the Authority's attention that the Homeland Security Grant contract requires a Single Audit in accordance with OMB Circular A-133 in addition to our year end audit. The additional audit is required for each year that the Authority receive money under the Grant, Toski, Schaefer, & Co. have provided a revised engagement letter that includes the expanded scope of work. Mr. Bushek indicated that the resulting increase in cost associated with the audit is \$3,600 and a revised engagement letter includes an amount not to exceed \$20,500 (\$16,900 audit for the original scope + \$3,600 for the Single Audit) for the Authority's 2010 financial statements. Mr. Bushek added that it is required that the authority sign and return the engagement letter and he also stated that this increase in scope was reviewed and recommended to the full Board during the December 16, 2010 meeting of the Audit Committee. Commissioner Gerentine inquired about a potential conflict of interest due to hiring the same firm. The issue was discussed and it was determined that there is no conflict of interest. Chairman Sproat called for a motion. On motion of Vice Chairman Vecellio, seconded by Commissioner Higgins, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 010-154
Resolution Date: January 20, 2011

WHEREAS, the Board has reviewed the report of the Audit Committee for the Toski, Schaefer, & Co. P.C. engagement letter; now therefore

BE IT RESOLVED the New York State Bridge Authority does hereby approve the engagement of Toski, Schaefer, & Co. P.C. for the 2010 audit revised scope; and

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is hereby authorized and directed to take the necessary measures to implement this resolution.

IN WITNESS WHEREOF, this resolution has been duly adopted this 20th day of January 2011.

Joseph Ruggiero, Secretary

3) Selection of Financial Advisor

Mr. Bushek indicated to the Board that in November, the request for proposal for an experienced firm to act as Financial Advisor in connection with the development of a program designed to meet the NYSBA needs over the next 10 years was issued. Seven responses were received and evaluated and the following firms responded, along with estimates of service costs based on expected programs utilized:

ACACIA Financial Group	\$140k
AC Advisory Inc.	\$360k
Blaylock RV	\$110k
Environmental Capital	\$200k
Frasca & Associates	\$159k
PFM Group	\$270k
Scott Balice Strategies	\$145k

Mr. Bushek further indicated that internally the Authority utilized the procurement process adopted by the Board and narrowed the selection by weighting cost and substantial experience with tolling. Mr. Bushek noted that the low bid, Blaylock RV, did not meet the requirements of the request for proposal. Mr. Bushek added that the two vendors scored roughly the same.

ACACIA Financial Group	\$140k
Scott Balice Strategies	\$145k

Mr. Bushek noted that the interviews were conducted by Mr. Ruggiero, Chris Chale, and himself during the week of January 10, 2011. Based on the interviews, Mr. Bushek said the proposer that will best suit the needs of the Authority is ACACIA Financial Group. ACACIA has substantial experience with similar tolling entities. Their written and oral presentations presented strong evidence of their experience and expertise with regard to the services required and their commitment to the Authority's financing needs. They are also a certified WMBE firm. ACACIA Financial Group's fee structure consists of a not to exceed

\$75,000.00 for the preliminary financial planning work, and a flat fee per bond issue based on their fee schedule. The contract provides for an initial two-year period, which may be extended at the option of the Authority for three additional one-year periods. Once a final financing program is developed, a final billing amount will be calculated based on the proposal. The authorized expenditure for the initial two year contract period would be \$140,000. This authorized amount will be reviewed based on the financial plan to be developed in the first phase of the engagement. Chairman Sproat called for a motion. On motion of Commissioner Higgins, seconded by Commissioner Ramaglia, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 010-155

Resolution Date: January 20, 2011

WHEREAS, the Board has reviewed the report relative to the selection of a Financial Advisor for an initial two year period; now therefore

BE IT RESOLVED the New York State Bridge Authority does hereby approve the expenditure for an amount not to exceed \$140,000.00 to contract ACACIA Financial Group as Financial Advisor for two years; and

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is hereby authorized and directed to take the necessary measures to implement this resolution.

IN WITNESS WHEREOF, this resolution has been duly adopted this 20th day of January 2011.

Joseph Ruggiero, Secretary

HUMAN RESOURCES:

1) Employer Required Testing Services

Mr. Pizzuto indicated to the Board that on November 4, 2011, the Authority advertised in the New York State Contract Reporter and subsequently received two proposals for Employer Required Testing Services. One proposal was from the current provider, The Work Place, while the second was from Emergency One. In order to compare the cost of services, each proposer listed their fees for each service in the "Schedule of Required Services". Mr. Pizzuto further indicated that he then estimated, on an annual basis, the number of times the Authority would avail each service and proposed contract cost came in as followed:

Emergency One: \$28,929

The Work Place: \$32,361

The proposed contract costs do not reflect the Authority's cost to get the employees to and from the facility. Emergency One has a primary facility in Kingston with an alternate location in Hyde Park. The Work Place has two facilities one in Poughkeepsie and one in Beacon. Mr. Pizzuto added that it would be more convenient and efficient for the Mid-Hudson Bridge, Headquarters and IT to go to the Poughkeepsie location, and the Newburgh-Beacon Bridge would go to the Beacon facility. The only bridge that would benefit from Emergency One's Kingston facility would be the Kingston Rhinecliff Bridge. Mr. Pizzuto noted that over 70% of our workforce is between Highland and Beacon, with cost allocated to time travel, the true costs of the proposals are as followed:

Emergency One: \$44,553

Work Place: \$40,173

Mr. Pizzuto added that based upon their lower cost and the Authority's experience and satisfaction, Mr. Pizzuto recommends a contract be awarded to the Work Place for our health care services. A brief discussion ensued relative to being more economical by choosing to utilize a mobile option versus sending employees to the actual facility. Chairman Sproat called for a motion. On motion of Commissioner Higgins, Vice Chairman Vecellio, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 010-156
Resolution Date: January 20, 2011

WHEREAS, the Human Resources Department has reviewed the request for proposals for these services and determined that The WorkPlace is the best qualified to provide the required services; and

WHEREAS, the New York State Bridge Authority Board of Commissioners has reviewed the recommendation from the Director of Human Resources relative to the healthcare requirements for employees; now therefore

BE IT RESOLVED that the purchase of healthcare services through The WorkPlace at costs provided for in its proposed fee schedule, for the period January 1, 2011 through December 31, 2011 is hereby approved; and

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is hereby authorized and directed to take the necessary measures to implement this resolution.

IN WITNESS WHEREOF, this resolution has been duly adopted this 20th day of January 2011.

Joseph Ruggiero, Secretary

OPERATIONS:

Mr. Bellucci briefed the Board on the closing for the Walkway Over the Hudson property, the event schedule for 2011 and planned community events around our bridges and, expanding our web based information to provide greater transparency to NYSBA operations.

REPORTS TO BOARD:

1) Monthly Activity Report of the Executive Director

The Monthly Activity Report was submitted by Executive Director Joseph Ruggiero and it noted that there were no expenditures in the month of December.

2) Traffic Classification Report

Mr. Ruggiero presented the Traffic Classification Comparison report for the year to date and November 2010. This report shows the traffic count on each bridge, as well as the associated revenue. Year to date, New York State Bridge Authority's revenues are \$521,973.00 above last year's receipts. No action was required by the Board.

3) Adoption of Committee Reports

Mr. Ruggiero indicated that the Authority Reform Act of 2009 and the Authorities Budget Office requires the Bridge Authority to constitute certain committees of the Board of Commissioners and specifies certain requirements for those committees. One of those requirements is that the committees shall prepare an annual report of the committee's activities. As the Audit, Finance and Governance committees met in December 2010 and adopted annual reports for their respective committees, and these committee reports were circulated to all Board Members in December, it is recommended that the full Board of Commissioners recognize the completion of this obligation imposed by the Authority Budget Office guidelines by formally accepting these reports. Chairman Sproat called for a motion. On motion of Commissioner Higgins, seconded by Commissioner Lashua, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 010-157

Resolution Date: January 20, 2011

WHEREAS the Audit Committee, the Finance Committee and the Governance Committee of the Board of the New York State Bridge Authority have individually met, reviewed and approved annual reports for their respective committees at meetings held in December 2010; and

WHEREAS, the Members of the Board of Commissioners have received and reviewed these annual committee reports; now therefore

BE IT RESOLVED that the Board accepts these Annual Reports and makes them part of the permanent records of the Authority; and

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is hereby authorized and directed to take the necessary measures to implement this resolution.

IN WITNESS WHEREOF, this resolution has been duly adopted this 20th day of January, 2011.

Joseph Ruggiero, Secretary

The Board recessed to Attorney Client session to discuss a contract issue regarding Non-Toll Revenue. The Board meeting reconvened at 4:45 pm.

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 010-158
Resolution Date: January 20, 2011

WHEREAS it is in the interest of the public for the NYS Bridge Authority to maximize revenues through all reasonable and responsible means to insure the proper maintenance and operation of the critical infrastructure under its stewardship; and,

WHEREAS, the Authority properly issued a Request for Proposals (RFP) on November 10, 2010 (BA-2010-OA-017-PS) to solicit proposals for the Authority to generate non-toll revenue through advertising and similar venues; and,

WHEREAS, the Authority received eleven (11) requests for the RFP, encouraged all requestors to respond and received one (1) response to the RFP by the due date of December 7, 2010; and,

WHEREAS, the response to the RFP received from Travelers Marketing was reviewed by the Authority, determined to have met the criteria stated in the RFP and the Authority found that Traveler's Marketing was a qualified and responsible responder; and,

WHEREAS, Travelers Marketing proposes to design, sell and implement a non-toll revenue program at no cost to the Authority; and,

BE IT RESOLVED that the Board authorizes the Executive Director, upon the advice and consent of Authority Counsel, to enter into an agreement with Travelers Marketing to provide the Authority with advertising, marketing and management services designed to generate non-toll revenues for the Authority.

IN WITNESS WHEREOF, this resolution has been duly adopted this 20th day of January, 2011.

Joseph Ruggiero, Secretary

This concluded the regular meeting agenda. On motion of Commissioner Higgins, seconded by Vice Chairman Vecellio and approved unanimously, the regular meeting adjourned at 4:50 P.M.

The next regular meeting is scheduled for February 17, 2011 at 3:00 P.M. at Headquarters.