

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

HELD AT HEADQUARTERS, HIGHLAND, N.Y. ON
July 21, 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:

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

Whitbeck, Carl G., Counsel

OFFICERS:

Ruggiero, Joseph, Secretary
Bushek, Brian, Treasurer

ABSENT:

Ramaglia, Joseph, Commissioner

Chairman Vecellio called the meeting to order at 3:20 PM. Chairman Vecellio made a motion to make two minor amendments to the agenda, one being an employee recognition and the other a rescheduling of the August meeting. Chairman Vecellio called for a motion to adopt an amended agenda to include additional items. On motion of Commissioner Gerentine, seconded by Commissioner Lashua, the motion was adopted unanimously. Chairman Vecellio presented Francine Byrne, NYSBA's Cyber Security Coordinator, with a certificate from the NYS Division of Homeland Security Emergency Service of Cyber Security for having a perfect score in Cyber Security.

ADMINISTRATION:

1) Kapsch Third Extension Agreement

In the absence of Mr. Russo, Mr. Ruggiero indicated to the Board that last August the Authority executed a one-year option to its Second Extension Agreement to the original contract with Mark IV (now Kapsch) for E-ZPass related equipment and maintenance services which is due to expire on August 16, 2011. The IAG Next Generation Technology procurement effort is approaching its conclusion; however it is not anticipated that new contracts with an approved vendor will be in place prior to the August 16th expiration. Mr. Ruggiero further indicated that accordingly, the IAG negotiated a Third Extension Agreement with Kapsch for six months with two three-month options to maintain the existing contract and pricing schedules until such contracts are established. Mr. Ruggiero added that by executing this extension it will enable the Authority to renew its maintenance agreements with Kapsch until a new contract is in place with the selected vendor. Chairman Vecellio 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.: 011-036

Resolution Date: July 21, 2011

WHEREAS on August 17, 2007, the Authority executed a three-year Second Extension Agreement with Mark IV IVHS, Inc. for the procurement of E-ZPass related equipment and services through August 16, 2010; and

WHEREAS, on August 17, 2010 the Authority executed a one year option to extend the Agreement to August 16, 2011; and

WHEREAS, the E-ZPass IAG has negotiated an additional Third Extension Agreement on behalf of its members for six months with two additional three-month options pending final vendor selection and contract awards pursuant to its Next Generation Technology procurement; and

WHEREAS the Authority has determined it is necessary to extend its agreement with Kapsch (formerly Mark IV IVHS) in order to continue the support of its E-ZPass operations; now therefore

BE IT RESOLVED the Authority agrees to execute the Third Extension Agreement to the irrevocable offer with Kapsch (formerly MARK IV IVHS) as negotiated by the IAG and as presented for the term beginning August 16, 2011 and expiring February 15, 2012 with two additional three month options; 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 21st day of July, 2011.

Joseph Ruggiero, Secretary

ADOPTION OF MINUTES:

Chairman Vecellio called for a motion to adopt the minutes of the June 16, 2011 Regular meeting. On motion of Commissioner Dressel, seconded by Commissioner Lashua, the minutes of the June 16, 2011 Regular meeting were adopted unanimously.

ENGINEERING:

1) Standby Readiness Contract – BA-2010-RE-101-CM

Mr. Moreau indicated that this year's inspection by Modjeski & Masters has discovered two areas of steel corrosion that require repair in short order. I. & O.A. Slutzky was awarded a multi-year repair contract in 2010 for this type of work. Slutzky has already been repairing deteriorated concrete deck areas at both MHB and NBB, which are also increasing in frequency due primarily to the delay of the overlay replacement projects. Mr. Moreau went on to say that there is a opportunity to make some permanent repairs to some troublesome areas on the interstate in Newburgh through a contract underway with NYSDOT. To maintain proper insurance and performance bond coverage, Mr. Moreau recommended hiring DOT's contractor (Tilcon) as a subcontractor to Slutzky, who will serve as the general contractor. A brief discussion followed with regard to this project's relation to next year's deck repairs. Chairman Vecellio 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.: 011-037

Resolution Date: July 21, 2011

WHEREAS, bids were solicited through the New York State Contract Reporter for the contract entitled "Systemwide Emergency Bridge and Highway Repairs – Standby Readiness" (BA-2010-RE-101-CM) and five bids were received on December 8th, 2009, the low bidder being the firm of I. & O.A. Slutzky, Inc.; and

WHEREAS, substantial emergency and miscellaneous high priority repairs have been necessary at both the Newburgh-Beacon and Mid-Hudson Bridges and the current not-to-exceed fee is almost exhausted; now therefore

BE IT RESOLVED that the contract awarded to I. & O.A. Slutzky, Inc. of Hunter, New York be increased in the amount of \$256,687.66 from a not-to-exceed amount of \$650,000.00 to \$906,687.66; 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 21st day of July, 2011.

Joseph Ruggiero, Secretary

2) Jobs in Progress Monthly Report

Mr. Moreau presented the Engineering Jobs in Progress Report for the month of June and stated that the paint project at Newburgh Beacon Bridge is well underway and on schedule. Chairman Vecellio called for a motion. On motion of Commissioner Lashua, seconded by Commissioner Dressel, the following resolution was adopted unanimously. Additionally Commissioner Lashua commended Mr. Moreau on being asked to be a presenter at the NYC Bridge Conference.

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 011-038

Resolution Date: July 21, 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 21st day of July 2011.

Joseph Ruggiero, Secretary

FINANCIAL:

1) Investment Report

Mr. Bushek reviewed the Investment Report for the month of June noting continued low interest rates. Chairman Vecellio 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.: 011-039

Resolution Date: July 21, 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 June 16, 2011; 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 21st day of July 2011.

Joseph Ruggiero, Secretary

2) Accident Review Committee Report – Second Quarter -2011

Mr. Bushek indicated that there were 55 accidents on Authority facilities in the second quarter of 2011 which compares with 40 the previous year. During this period there were two accidents involving Authority personnel with one incident where the Authority had potential liability to a third party. At the NBB Bridge on April 20th, an employee damaged the rear bumper of Truck 308 while backing up, near building N5-10 and struck a barrier pole. Mr. Bushek noted the employee was counseled. At the NBB Bridge on May 19th, the operator of crane Truck 292 had the right lane closed off in a pattern. While deploying the arm, the operator allowed the cable & hook to swing into traffic in the center lane striking a passing motorist's vehicle causing approximately \$3,000 in damages. The motorist has a claim for repairs plus an interim rental vehicle. The operator indicated that the decision to handle the hook and cable from the side of the vehicle instead of from the rear was the cause of the accident. During a meeting of the accident review committee the employee was advised of the seriousness of this accident, the costs to the Authority, and the need to prevent this from happening in the future. No action was required by the Board.

3) August 1, 2011 Insurance Placements

Mr. Bushek advised the Board that five insurance policies due to expire on August 1st were advertised May 10th in the New York State Contract Reporter under General Liability, Umbrella & Excess Liability, Business Automobile, Commercial Package, Police Professional Liability contracts. As a result, the Authority had four interested brokers and one renewal quote from an existing broker. Each broker was asked to provide a list of three insurance companies and two alternative companies, in order of preference, from which they wished to solicit coverages. It was then determined which companies each proposer would have the sole right to access. Any companies not assigned through this process could be approached by any proposer. The Authority indicated it would consider quotes with and without terrorism coverage and the cost would be carefully weighed with the benefit. Terrorism coverage added relatively small amounts to the premiums and is included in the amounts recommended. Proposals were due June 29th and the Authority received them from three brokers on the Automobile policy and Commercial Package. Proposals from four brokers on the other insurances and had one renewal quote provided by an existing broker for the police professional coverage. Mr. Bushek added that for all lines except the Commercial Package, the Authority will have savings over the previous year. If purchasing each of the lowest cost proposed insurances, the total cost would be \$339,705, a savings of \$44,301, or 11.5 percent, from the previous year. Chairman Vecellio 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.: 011-040
Resolution Date: July 21, 2011

WHEREAS, the Board has reviewed the report relative to the August 1, 2011 purchase of insurance policies covering general liability, business automobile, commercial package, umbrella/excess liability, and police professional liability; now therefore

BE IT RESOLVED that the purchase of these insurances is hereby approved for a period of one year at the following not to exceed costs:

\$125,512, subject to audit, for Contract BA-2011-OA-002-IN General Liability with the Allied World National Assurance Co. through Risk Strategies, Inc.;

\$114,180, subject to audit, for Contract BA-2011-OA-003-IN Umbrella Liability with the Lexington Insurance Company through Risk Strategies, Inc.;

\$57,807, subject to audit, for Contract BA-2011-OA-004-IN Business Automobile with Praetorian Insurance Company through Salerno Brokerage Corp.;

\$37,596, subject to audit, for Contract BA-2011-OA-005-IN Commercial Package with the Harleysville Insurance Company through Associates of Glens Falls Inc.;

\$4,611, for Contract BA-2011-OA-006-IN Police Professional Liability with the Darwin National Insurance Company through Risk Strategies, Inc.; 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 21st day of July 2011.

Joseph Ruggiero, Secretary

HUMAN RESOURCES:

1) Establishment of a Standard Workday

Mr. Pizzuto indicated to the Board that the Office of the New York State Comptroller/New York State and Local Retirement System requires the establishment and reporting of the standard work day for all participating employers in the New York State and Local Retirement System. Mr. Pizzuto further indicated that the Board previously adopted a resolution, however, the Office of the State Comptroller required additional documentation for the positions of Executive Director, Deputy Executive Director and Chief of Staff. Chairman Vecellio 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.: 011-041
Resolution Date: July 21, 2011

WHEREAS, the Office of the New York State Comptroller/New York State and Local Retirement System requires the establishment and reporting of the standard work day for appointed officials including the Executive Director, Deputy Executive Director and the Chief of Staff ; and

WHEREAS, the above mentioned appointed officials work eight (8) hours a day, five (5) days a week for a total of forty (40) hours a week; and

WHEREAS, the Office of the New York State Comptroller/New York State and Local Retirement System requires that the Resolution Establishing the Workday Schedule must be posted for public viewing on the website of the New York State Bridge Authority for no less than thirty (30) days, now therefore

BE IT RESOLVED, that the Board of Commissioners of the New York State Bridge Authority (Location Code 50021) hereby adopts the above standard work days for elected and appointed officials and will report the above days worked to the New York State and Local Retirement System based on the time keeping system record of activities maintained and submitted by these officials to the clerk of this body; and

BE IT RESOLVED, that a copy of this resolution is to be posted for public viewing on the website of the New York State Bridge Authority for thirty (30) days in accordance with the guidelines set forth by the Office of the New York State Comptroller/New York State and Local Retirement System

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 21st day of July, 2011.

Joseph Ruggiero, Secretary

INFORMATION TECHNOLOGY:

1) Port Security Monthly Procurement Report

Mr. Herd noted that the Board approved a not to exceed amount for procurement for the Bear Mountain Bridge ITS Project of \$1,700,000.00. There were no expenses this month. The total spent to date is \$1,326,293.23 which leaves a balance of \$373,706.77. Mr. Herd noted that there will be a few purchases within the upcoming months for the RVW and KRB projects. No action was required by the Board.

2) Jobs in Progress for IT - June

Mr. Herd apprised the Board of the projects that the Information Technology Teams are working on: the OmniAir 5.9GHz testing completion was delayed due to personnel changes with the third party vendors; the UPS batteries and maintenance needs to be completed at RVWB; the touch screens for the replacement program are ordered and will be installed at BMB and NBB; and, the camera procurement purchase order is being processed. Chairman Vecellio 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.: 011-042

Resolution Date: July 21, 2011

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

BE IT RESOLVED that the Information Technology 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 21st day of July 2011.

Joseph Ruggiero, Secretary

OPERATIONS:

1) **Project Night Watch – IT Consultant**

In the absence of Mr. Ferguson, Mr. Ruggiero stated that in December 2010, a contract was awarded to Dr. Theodore Mankovich naming him the Authority's General Electronic Data Processing Consultant. This contract is to assist the Authority with current and future projects and for the analysis of the Authority's electronic systems and additional tasks may also be assigned throughout the term of the contract. Mr. Ruggiero went on to say that Dr. Mankovich will be working with The Revenue Markets, Inc. (TRMI) on the design and implementation of the automatic toll payment machines (ATPMs) for the Authority. Mr. Ruggiero recommended a contract award to Dr. Mankovich as the Project Nightwatch - IT Consultant with the cost of these services at a not-to-exceed amount of \$60,000.00. A brief discussion followed relative to the functionality of the automatic toll payment machines and how it interfaces with the Command Center. Chairman Vecellio called for a motion. On a motion of Commissioner Gerentine, followed by Commissioner Lashua, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 011-043

Resolution Date: July 21, 2011

WHEREAS the Board has reviewed the memorandum recommending an IT Consultant for Project Nightwatch; and

WHEREAS, the Authority currently has a contract with Dr. Theodore Mankovich for this type of work; now therefore

BE IT RESOLVED that a contract, BA-2011-RO-014-PS.1, be awarded to Dr. Mankovich in an amount not-to-exceed \$60,000.00; 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 21st day of July, 2011.

Joseph Ruggiero, Secretary

2) Project Nightwatch –Design and Software Development Upgrades

In the absence of Mr. Ferguson, Mr. Ruggiero indicated to the Board that as work progresses on Project Nightwatch, the Authority has been meeting with the vendor, The Revenue Markets (TRMI) to address several concerns regarding design and software development for the project. Based upon recommendations from our consultant, a modification of the design would provide more flexibility, system integrity and security. These specification changes to the design and software development will increase the cost of the project by \$36,400.00. Mr. Ruggiero recommended award of the contract to The Revenue Markets, Inc. for Nightwatch Design and Software Development Upgrades in the not-to-exceed amount of \$36,400.00. A brief discussion followed relative to additional software costs and amendment to the original contract. Chairman Vecellio 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.: 011-044

Resolution Date: July 21, 2011

WHEREAS, the Board has reviewed the request to upgrade the design and software development for Project Nightwatch; and

WHEREAS this will provide the Authority with increased system flexibility, integrity and security; and

WHEREAS the Authority's Bridge Operations Department and IT Consultant have reviewed the upgrades and recommend TRMI Systems Integration; now therefore

BE IT RESOLVED that a contract be awarded to TRMI Systems Integration to upgrade the design and software for Project Nightwatch (BA-2011-RO-014-PS) in the amount of \$36,400.00; 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 21st day of July 2011.

Joseph Ruggiero, Secretary

REPORTS TO BOARD:

1) Monthly Activity Report of the Executive Director

The Monthly Activity Report was submitted by Executive Director Joseph Ruggiero noting no expenditures in the month of June.

2) Traffic Classification Report

Mr. Ruggiero presented the Traffic Classification Comparison report for the year to date and June 2011. 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 \$337,395.00 below last year's receipts, which is believed to be a result of high gas prices. No action was required by the Board.

NEW BUSINESS:

1) Reschedule August Board Meeting

Chairman Vecellio made a motion to cancel August 18th Board Meeting and reschedule to August 4th. On motion of Commissioner Higgins, seconded by Commissioner Dressel, the motion was approved unanimously.

OLD BUSINESS:

1) Resolution on Toll Increase - Tabled

Chairman Vecellio asked for a motion to table the resolution on Toll Increase for this month. On motion of Commissioner Higgins, seconded by Commissioner Lashua, the motion was approved unanimously.

2) O/S Official Statement/Supplemental Bond Resolution – Tabled

Chairman Vecellio asked for a motion to table the O/S Statement and Supplemental Bond resolution for this month. On motion of Commissioner Higgins, seconded by Commissioner Dressel, the motion was approved unanimously.

This concluded the regular meeting. Chairman Vecellio asked for a motion to adjourn the meeting. On motion of Commissioner Gerentine, seconded by Commissioner Higgins and approved unanimously, the regular meeting adjourned at 3:35 P.M.

The next regular meeting is scheduled for August 4, 2011 at 3:00 P.M. at Headquarters.