

New York State Bridge Authority Finance Committee Meeting Minutes of June 16, 2011

The New York State Bridge Authority's Finance Committee met at the Authority's Headquarters in Highland, New York, at 3:00 p.m. on June 16, 2011.

In addition to Finance Committee Chairman Roderick Dressel and Committee member Joseph Ramaglia and with the absence of Committee member Richard Gerentine, those in attendance included:

Francis Vecellio
Roger Higgins
C. Vane Lashua – via teleconference
Joseph Ruggiero
Brian Bushek
Carl G. Whitbeck, Jr., Esq.
Chris Chale

Upon a motion made by Mr. Ramaglia and seconded by Chairman Dressel the minutes of the March 17, 2011 meeting were approved unanimously.

A report was made by Mr. Bushek regarding the review of the Revenue Forecast from Stantec. This report evaluates whether a toll increase is needed to support the capital projects that are projected for the next 5 years. Mr. Bushek added that the Stantec report concluded that in order to support our current forecasted capital project requirements an Authority toll increase would be a necessity. Chairman Dressel recommended the Finance Committee to accept the Stantec report, seconded by Mr. Ramaglia.

Upon a motion made by Chairman Dressel and seconded by Mr. Ramaglia, the Revenue Forecast from Stantec was approved and will be sent to the full Board with the Committee's recommendation for adoption.

A report was made by Mr. Bushek of the proposals for the designation of an underwriter firm or firms to act as senior manager and/or co-manager for the Authority bond sales. Based upon their marketing strategies, capital abilities to take down bonds as needed, interviews, references, pricing, and recommendations of our Financial Advisors the underwriter selections were made. The Authority selected a qualified pool of underwriters for the next two years. The firms Bank of America, Citigroup Global Markets Inc., JP Morgan Securities LLC, Morgan Stanley & Co., Incorporated, Piper Jaffrey & Co., Raymond James & Associates, Inc., and Siebert Brandford Shank & Co., LLC, were recommended as Senior Managers and Co-Managers. The firms that were recommended for designation to the underwriting team for the proposed 2011 refunding were JP Morgan Securities LLC as Senior Manager and as Co-Managers Raymond James & Associates, Inc. and Ramirez & Co., Inc. Bond Counsel Chris Chale noted that the process of reviewing the underwriter and submissions were assisted by the Authority's Financial Advisor.

Upon a motion made by Chairman Dressel and seconded by Mr. Ramaglia, the underwriter selection was approved and will be sent to the full Board with the Committee's recommendation for adoption.

Bond Counsel, Chris Chale explained the Third Supplemental Bond resolution by noting:

Outstanding Bonds: The series of Bonds are currently outstanding under the Authority's General Revenue Bonds Resolution: The Series 2002 Bonds dated February 1, 2002, with an outstanding principal amount of \$37,195,000, bearing interest at 3.875% to 4.6%, maturing serially 2/1/ 2012 to 2/1/2017. The Series 2002 Bonds are callable at par on or after January 1, 2012 on 30 days' notice. □ The Series 1997 Bonds dated January 1, 1997, with an outstanding principal amount of \$4,520,000, bearing interest at 5.125% and maturing January 1, 2012. The Series 1997 Bonds are callable at par on 30 days' notice.

Authorization: The Third Supplemental Resolution provides for the issuance of refunding bonds of the Authority. The Authority's Bonds are issued pursuant to its General Revenue Bond Resolution, as amended. Bonds are supported by a pledge of the Net Revenues and certain reserves.

Principal Amount: The Third Supplemental Resolution authorizes a principal amount not to exceed \$45,000,000 to refund all or a portion of the outstanding Series 1997 and 2002 Bonds. The actual series and maturities of the bonds to be refunded and the final principal amount will be determined based on the present value savings test required by both the Authority's enabling act and the General Revenue Bond Resolution.

Refunding Bonds: The refunding bonds will mature no later than 2017, the last maturity date of the outstanding Bonds. Interest rates will be based on market prices at the time of sale with a true interest cost not to exceed 4%. Proceeds of the refunding Bonds will be applied to pay costs of issuance and to fund an escrow account for the payment of the Bonds to be refunded.

Sale of the Bonds: The refunding Bonds will be sold pursuant to a negotiated public sale at a purchase price not less than 95% of the principal amount of the Bonds, and further subject to the present value test for refunding Bonds. Designated underwriters for the refunding are JP Morgan Securities LLC as Senior Managing Underwriter, and Raymond James & Associates, Inc. and Ramirez & Co., Inc. as Co-Managers.

Preliminary Official Statement: The resolution approves the draft Preliminary Official Statement, in substantially the form on file with the Secretary. The draft Preliminary Official Statement includes, among other things, information regarding the terms of the Bonds, the rate covenant and other provisions of the General Revenue Bond Resolution, the plan of financing, the Authority's Bridge System, the capital plan, historical and projected revenues and operating expenses, the most recent audited financial statements, the reports of the Traffic Consultant and Consulting Engineer, document summaries, and the Authority's commitment to provide continuing disclosure to bondholders. In accordance with applicable securities laws, the Official

Statement is required to include all information that would be material to a bondholder in making a decision to purchase, hold or sell the Bonds.

Delegation: The Executive Director or other officer of the Authority is authorized to provide for the sale of the refunding Bonds and determine the specific terms of such Bonds subject to the requirements of the Supplemental Resolution.

Upon a motion made by Chairman Dressel and seconded by Mr. Ramaglia, Third Supplemental Bond Resolution was approved and will be sent to the full Board with the Committee's recommendation for adoption.

Having no other business, the meeting adjourned at 3:20 pm.