

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

HELD AT HEADQUARTERS, HIGHLAND, N.Y. ON
November 15, 2012

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
Ramaglia, Joseph, Commissioner

Whitbeck, Carl G., Counsel

OFFICERS:

Ruggiero, Joseph, Secretary
Bushek, Brian, Treasurer

Chairman Vecellio called the meeting to order at 3:07 pm and called for a motion to adopt the minutes of the October 18, 2012 Regular Meeting. On motion of Commissioner Lashua, seconded by Commissioner Dressel, the minutes of the October 18, 2012 Regular Meeting were adopted unanimously.

ADMINISTRATION:

Kapsch Agreement for E-ZPass Equipment

Mr. Russo indicated to the Board that the NYS Bridge Authority is a full member agency of the E-ZPass Group, a coalition of 24 toll agencies in 14 states that operates the interoperable E-ZPass electronic toll system. As a member agency, the Authority agrees to contract with and procure from a single vendor, equipment which has been identified, tested and approved for this purpose. In 2008 the E-ZPass Group initiated a collaborative procurement process to establish a new contract for E-ZPass in-lane equipment and transponders. Proposals were received from four vendors and two proposals were selected for further evaluation and testing. Mr. Russo further indicated that after comprehensive reviews by several committees and over a year of testing, the membership voted unanimously on July 21, 2011 to recommend a contract with Kapsch TrafficCom IVHS, Inc. (Kapsch). The pricing for Kapsch was substantially below what the membership currently pays, particularly for E-ZPass transponders. Accordingly a final contract form was negotiated on behalf of the member agencies, subject to each agency individually executing an agreement with Kapsch. Mr. Russo added that the term of the contract is for ten years with the option to renew for one additional three-year term. The term commences with the execution of a contract by the first IAG participating agency, which was November 28, 2011. The length of the term is such that it provides stability of technology and pricing for the member agencies given the fact that a large investment has been made to install this equipment in literally thousands of toll lanes and a customer transponder population in excess of 21 million. Mr. Russo explained with that being said, the contract terms provide for an exclusivity period of four years, after which time the member agencies could opt to procure equipment from other vendors should it become advantageous. Kapsch recently agreed to make its technical protocols (used by E-ZPass) public, so that this likelihood is a real possibility. The four year period commenced on July 11, 2012. Mr. Russo noted that the Authority does not currently purchase or issue transponders because the Authority has an MOU with the NYS Thruway providing for sharing of services regarding customer accounts. NYSBA's indirect costs under the MOU will decrease based on the decreased costs to the Thruway under the new contract. Mr. Russo explained that NYSBA's direct costs under the Kapsch contract would consist of in-lane equipment (readers & antennas) as needed and annual preventive maintenance costs. The maximum authorized amount of contract expenditures is \$304,852 over the remaining nine year term of the contract. This amount may change subject to Board approval depending on actual equipment and maintenance requirements. A brief discussion followed regarding advancement toward national interoperability with other agencies. Chairman Vecellio called for a motion. On a motion of Commissioner Lashua, followed by Commissioner Higgins, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 012-119

Resolution Date: November 15, 2012

RESOLUTION APPROVING EXECUTION OF CONTRACT WITH
KAPSCH TRAFFICCOM IVHS, INC.

WHEREAS, the Authority is a member of the E-ZPass Interagency Group and the members of the group operate an electronic toll collection system known as E-ZPass pursuant to the E-ZPass Operations Interagency Agreement dated as of February 20, 1988, as amended; and,

WHEREAS, in conformance with the Authority's Procurement Policy, the Triborough Bridge and Tunnel Authority (TBTA) issued a joint Request for Proposals ("RFP") dated March 30, 2008, as amended, on behalf of the members of the E-ZPass Interagency Group, to seek proposals from vendors to Furnish and Provide Electronic Toll Collection Technology and Associated Subsystem Components and Services for the Operation Of the E-ZPass System, in order to continue to operate E-ZPass as a regionally interoperable ETC system; and,

WHEREAS, pursuant to the RFP, the E-ZPass IAG members evaluated vendor submissions, selected two proposers for validation testing, conducted validation testing to demonstrate compliance with minimum technical specifications and with proposer performance claims, requested best and final offers from each finalist, and conducted technical and financial evaluations of the final proposals; and,

WHEREAS, after engaging in a competitive selection process, the E-ZPass Interagency Group recommended to its members the selection of Kapsch TrafficCom IVHS, Inc. to Furnish and Provide Electronic Toll Collection Technology and Associated Subsystem Components and Services for the Operation Of the E-ZPass System; and,

BE IT RESOLVED by the Board of the New York State Bridge Authority as follows:

Section 1. Vendor Selection. The Authority hereby approves the recommendation of the E-ZPass Interagency Group to approve Kapsch TrafficCom IVHS, Inc. as the proposer best meeting the requirements of the RFP. Kapsch TrafficCom IVHS, Inc. is hereby determined to be the responsive and responsible vendor pursuant to the RFP on the terms and conditions set forth in the form of contract on file with the Secretary ("Contract").

Section 2. Contract Authorization. The Contract is hereby approved in substantially the form on file with the Secretary. The Executive Director is hereby authorized to execute and deliver the Contract on behalf of the Authority in substantially the form on file with the Secretary, with such changes as shall not materially affect the substance thereof; such execution shall constitute conclusive evidence of such approval.

Section 3. Further Actions. The officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary or convenient to carry out and comply with the terms of this resolution.

Section 4. Effective Date. This resolution shall take effect immediately.

IN WITNESS WHEREOF, this resolution has been duly adopted this 15th day of November, 2012.

Joseph Ruggiero, Secretary

ENGINEERING:

1) DEC Regulatory Fee

Mr. Moreau indicated to the Board that the NYSDEC charges owners of lead abatement projects a surcharge fee based on the quantity of waste generated. The project at NBB de-leading and repainting the North span makes the Authority a hazardous waste generator and an annual invoice was received. The amount is \$15,298.18. Chairman Vecellio called for a motion. The Board approved the resolution by a vote of 3 ayes and 2 nays (Commissioners Dressel and Gerentine in the negative).

NEW YORK STATE BRIDGE AUTHORITY

BOARD RESOLUTION

Resolution No.: 012-120

Resolution Date: November 15, 2012

WHEREAS, legislation was signed into NYS Environmental Conservation law to refinance and reform New York State's Superfund and Brownfields programs; and,

WHEREAS, generators of hazardous waste are responsible for a surcharge fee if the quantity of waste generated is equal to or greater than 15 tons per year per Section 72-043 of the aforementioned legislation; and,

WHEREAS, the de-leading and painting project at the North span of the Newburgh-Beacon Bridge makes us subject to this surcharge fee; and,

WHEREAS, our Executive Director has reviewed the annual invoice and authorized payment in the amount of \$15,298.18; now therefore,

BE IT RESOLVED that the Authority's Board of Commissioners review and confirm approval of this regulatory payment; 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 15th day of November, 2012.

Joseph Ruggiero, Secretary

2) KRB Novachip Overlay Repairs

Mr. Moreau informed the Board that last month the Board authorized a purchase order to Gorman Brothers for repairs to the existing overlay at KRB. Gorman Brothers is the State contract material provider for this proprietary product. Mr. Moreau said while negotiating the scope and cost for the project we anticipated coordinating with the contractor's schedule while he was here in the Valley, working on an Ulster County highway. Mr. Moreau explained that, due to Hurricane Sandy, the window to combine these two projects closed. Gorman Brothers is requesting an additional \$4,000.00 to mobilize independently for this KRB project; the original authorization was for \$16,330.00. The Authority is already providing maintenance and protection of traffic to keep our costs to a minimum. Mr. Moreau noted that Mr. Ruggiero, Executive Director, already authorized this expense to expedite the work before the weather became an issue and this request was for Board confirmation. Chairman Vecellio called for a motion. On a motion of Commissioner Dressel, seconded by Commissioner Lashua, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 012-121

Resolution Date: November 15, 2012

WHEREAS, the Board authorized overlay repairs at the Kingston-Rhinecliff Bridge by The Gorman Group on October 15th, 2012; and,

WHEREAS, the repairs were originally scheduled to coincide with the Contractor's schedule of work in the Hudson Valley; and,

WHEREAS, the arrival of Hurricane Sandy advanced the Contractor's schedule and made it impossible to combine the timing of our repairs and The Gorman Group is located in Albany and had to mobilize independently at an additional cost of \$4,668.00, increasing the contract amount from \$16,330.00 to \$20,998.00; and,

WHEREAS, the Executive Director has already authorized this expense to expedite the work and this request is for Board confirmation;

BE IT 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 15th of November 2012.

Joseph Ruggiero, Secretary

3) LKB – NBB Electrical System Replacement -

Mr. Moreau indicated to the Board that LKB was selected through a publicly advertised competition to design the replacement electrical system for the NBB, which the Authority intends to construct simultaneously with the deck. Mr. Moreau explained that during design development, it was recognized that there would be a significant advantage in having an emergency back-up generator on the west side to complement the generator that is on the east side. Mr. Moreau said this will allow the Authority to maintain west side traffic control equipment in a power outage, which is currently not served by the east side generator. LKB has prepared an estimate for this additional work which increases their design fee from \$149,250.37 to \$195,250.37, an increase of \$46,000.00. A brief discussion followed regarding the cost of the actual generator along with the system being manual or automatic. Chairman Vecellio called for a motion. On a motion of Commissioner Higgins, seconded by Commissioner Ramaglia, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 012-122

Resolution Date: November 15, 2012

WHEREAS, bids were solicited in April 2012 through the New York State Contract Reporter for the contract entitled “Electrical System Replacement Design Newburgh-Beacon South Span” (BA-2012-RE-114-DE) with the low bidder being the firm of Lockwood, Kessler & Bartlett, Inc., of Syosset, NY.; and,

WHEREAS, the Authority’s Engineering department has recognized a significant advantage to having an emergency back-up generator on the west side of the South Span of the Newburgh-Beacon Bridge; now therefore,

BE IT RESOLVED that LKB’s design fee be increased for this additional design work in the amount of \$46,000.00 from \$149,250.37 to \$195,250.37; 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 15th day of November, 2012.

Joseph Ruggiero, Secretary

4) Jobs in Progress Monthly Report

Mr. Moreau advised the Board regarding the Engineering Jobs in Progress Report for the month of October, noting that the Newburgh-Beacon Bridge paint project will be complete for the season within the week. Chairman Vecellio called for a motion. On a motion of Commissioner Higgins, seconded by Commissioner Lashua, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 012-123

Resolution Date: November 15, 2012

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 15th day of November 2012.

Joseph Ruggiero, Secretary

FINANCIAL:

1) Investment Transaction Report

Mr. Bushek reviewed the Investment Report for the month of October noting five investments for the month. Mr. Bushek mentioned the interest income and yield remains fairly steady. Chairman Vecellio called for a motion. On a motion of Commissioner Gerentine, seconded by Commissioner Ramaglia, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 012-124

Resolution Date: November 15, 2012

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 October 18, 2012; 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 15th day of November 2012.

Joseph Ruggiero, Secretary

2) Quarterly Operations Report – Q3 2012

Mr. Bushek reported a traffic increase of 2% for nine months was the result of increases in passenger traffic of 2.28% while commercial traffic declined 2.00%. Revenue increased 44.98% corresponding to the toll increase implemented in late January 2012. Low interest rates on Treasury obligations were offset by increased funds available to invest primarily from bond proceeds as interest income increased by 10.7% to \$321,000 year to date. Miscellaneous receipts decreased by \$1,376,000. This resulted from reduced Federal Grant funds received compared to 2011 of \$1,402,000 which was partially offset by increases advertising and leasing receipts. Operating expenses decrease \$26,000, a net result of several factors including: a \$192,000 increase in Salaries associated with the rate increase applied in April 2011 being in place for all of 2012 along with the contractually obligated step and longevity increases in 2012, a \$323,000 increase in Employee Retirement costs associated with rate increases, a \$191,000 increase in Electronic Toll Costs primarily associated with the greater utilization of E-ZPass, a \$281,000 decrease in professional fees associated with the normal rotation of inspections and reduced fees associated with the toll increase and other matters in 2011, a \$169,000 decrease in Maintenance and Repairs that was driven largely by the moderate winter in which sand and salt purchases were lower year over year, a \$98,000 decrease in commercial insurance primarily as a result of the bidding process in 2011 for bridge property insurance, a \$76,000 decrease in utilities associated with a milder winter in 2012, lastly a \$75,000 decrease in Equipment expenditures due to the installation of video equipment associated with the Federal Grant in 2011. Operating expenses were budgeted at \$29.0 million for 2012, which includes \$2.3 for the accrual of million for accrual post-employment benefits and \$1.6 million for depreciation of the Walkway Over The Hudson booked at year end. As of 9/30, \$16.6 million was expended. Budgeted capital improvement costs for the year are \$20.9 million, the revised capital plan approved by the Board in September 2012 is \$18.3 million. As of 9/30, \$8.4 million has been spent. No action was required by the Board.

3) Budget and Financial Plan 2013-2016

Mr. Bushek indicated to the Board that: Pursuant to the Authority vested by Section 5 of Article 10 of the New York State Constitution, Article 9 of the Public Authorities Law and Section 8 (14) of the State Finance Law, the State Comptroller adopted Regulation 2 NYCRR Part 203, "Budget and Financial Plan Format, Supporting Documentation and Monitoring – Public Authorities." The Authority's Budget and Financial Plan 2013-2016 (the Plan) required by this regulation includes the following: Budget and Financial Plan 2013-2016 including text, Condensed budgeted revenues, expenditures and changes in current net assets 2013 – 2016, actual financial performance for 2011 and the change in estimates for the previously approved 2011 budget, Debt Schedule 2013 – 2016, Capital Improvement Program 2013 – 2017. The above documents were provided to audit and finance committee members and other Board members at the meeting on September 20th. Both committees approved sending the budget to the full Board for approval. No changes have been made. As of November 15th, the Plan has been available for public inspection and comment at all of the Authority's facilities for the thirty days required by the regulation. It has also been made available to the public on the Authority's website. Mr. Bushek noted there have been no public comments. Chairman Vecellio called for a motion. On a motion of Commissioner Dressel, seconded by Commissioner Lashua, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 012-125

Resolution Date: November 15, 2012

WHEREAS, Office of the State Comptroller Regulation 2 NYCRR Part 203 requires that Bridge Authority budget and financial plan information for fiscal years 2013 through 2016 be prepared, approved and forwarded in report form to the Comptroller; now therefore,

BE IT RESOLVED, that the Authority hereby approves the proposed budget and financial plan information; 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 15th day of November 2012.

Joseph Ruggiero, Secretary

4) Annual Billing from NYS Employees' Retirement System

Mr. Bushek informed the Board that annually, as a participating employer, the Bridge Authority is billed, by the State Employees Retirement System, for its share of the yearly expense for the future pension benefits of its employees. The cost for the fiscal year ending March 31, 2013 is \$1,796,856 for the Authority's 163 employees currently in the system. The individual employers' cost vary from year to year based upon salaries, as well as contribution rates which rise and fall predicated upon investment results of the Retirement Fund. Mr. Bushek reported that this year's cost is an increase of \$533,449, or 42.2% over the prior years' billing when adjusted for the 2010 retirement incentive. Mr. Bushek noted that this was due to significant increases in rates as a result of the market fluctuations and the collapse of 2008 as losses are amortized over 5 years. After a brief discussion regarding original projected growth rate, Chairman Vecellio called for a motion. On a motion of Commissioner Higgins, seconded by Commissioner Dressel, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 012-126

Resolution Date: November 15, 2012

WHEREAS the Board has reviewed the report relative to the payment of the annual invoice to the New York State Employees' Retirement System; now therefore,

BE IT RESOLVED, the New York State Bridge Authority does hereby approve the payment of \$1,796,856 to the New York State and Local Retirement System for pension costs incurred for the year ending March 31, 2013; 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 15th day of November 2012.

Joseph Ruggiero, Secretary

5) 2012 Internal Auditor Engagement

Mr. Bushek informed the Board that on September 21, 2011, the Authority advertised in the NYS Contract Reporter and our website for a contract internal auditor to assist in compliance with the Public Authorities Accountability Act of 2005 as amended by the Public Authorities Reform Act of 2009. In addition to other requirements, these Acts require all public authorities to complete an annual assessment of the effectiveness of their internal control structure and procedures within ninety days after the end of its fiscal year. The role of the internal auditor is to assist the Authority in completing its annual assessment of the effectiveness of its internal control structure and policies, and to assist the Authority in maintaining a program of internal control review. The Authority structured the request for proposal to require three one year contracts. Mr. Bushek reported that in November 2011, the Authority awarded three one year contracts to the lowest responsible bidder, Tronconi, Segarra, & Associates. The 2012 engagement letter references the 2012 pricing as indicated in the original proposal of \$20,475. The 2012 engagement will continue to execute the program of internal control review as provided to the Board and Audit Committee in November 2011. Mr. Bushek added that based on the Authority's satisfaction with the services provided by Tronconi, Segarra, & Associates he recommended to the Audit Committee and the Board to approve the engagement letter for the second year of the contract to Tronconi, Segarra & Associates. Chairman Vecellio called for a motion. On a motion of Commissioner Higgins, seconded by Commissioner Lashua, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 012-127

Resolution Date: November 15, 2012

WHEREAS, the Board has reviewed the report relative to the contract for internal auditor services; now therefore,

BE IT RESOLVED the New York State Bridge Authority does hereby approve the engagement for the second year of the three one year contracts for internal auditor services to Tronconi, Segarra & Associates at a not to exceed cost of \$20,475 for the year ending December 31, 2012; 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 15th day of November 2012.

Joseph Ruggiero, Secretary

OPERATIONS:

1) Transcom Openreach Assessment

Mr. Ferguson explained to the Board that Transcom's Openreach is a web interface that allows NYSBA personnel to log into the Transcom regional conditions database. This system allows member agencies to enter traffic and road conditions that may affect the travelling public throughout the region, including on NYSBA facilities. Additionally it allows the Authority to receive notifications of and monitor events which occur throughout the area that can impact traffic crossing our facilities. A fee is assessed upon each member agency annually for maintenance, operation, and expansion of the system. The Board was sent the invoices from Transcom for 2011 and 2012. NYSBA's share of the total is \$15,000 per year and Mr. Ferguson recommended approving payment of \$30,000 to Transcom for the Authority's 2011 and 2012 Openreach assessments. Chairman Vecellio called for a motion. On a motion of Commissioner Dressel, seconded by Commissioner Lashua, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 012-128

Resolution Date: November 15, 2012

WHEREAS, the Authority Board has reviewed the memorandum regarding the annual assessments for Transcom's Openreach interface; now therefore,

BE IT RESOLVED that the Board approves payment for the 2011 and 2012 Annual Openreach assessments in the amount of \$30,000.00; 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 15th day of November 2012.

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 October.

2) Traffic Classification Report

Mr. Ruggiero reported the Traffic Classification Comparison report for the year to date October 2012 numbers. 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 \$13,946,135.00 above last year's receipts. Mr. Ruggiero noted declining traffic is a direct result of high gas prices. No action was required by the Board.

Mr. Ruggiero provided a report to the Board regarding Hurricane Sandy. Mr. Ruggiero said that NYSBA was fortunate in that we suffered very little damage and were able to keep all bridges open and functional throughout the storm. NYSBA facilities provide a critical link for emergency services, hospitals and other important functions in the Hudson Valley. Noting ongoing issues and future impacts due to damage or disruption of service to outside contractors will have some impact to NYSBA. Mr. Ruggiero noted that NYSBA began preparing for the storm on October 25th, cleaning storm drains and prepare for a significant event. The Authority also began fielding media requests regarding high wind advisories and coordinating with the state Emergency Operations Center. No action was required by the Board.

Ms. Sullivan also provided a report regarding NYSBA's Storm Sandy relief efforts. Ms. Sullivan reported that everyone at NYSBA turned out with many generous donations for the people affected by Storm Sandy devastation. The silver van was parked in front of HQ and stuffed to the roof with warm clothing, blankets, baby supplies and diapers, cleaning supplies, pet food, lots of ready-to-eat food and nonperishable foods, towels, flashlights, batteries, and more. Our HQ intern Jackie, Joe Rochfort and Ms. Sullivan sorted, inventoried, and packed everything neatly in boxes and bags. Ms. Sullivan went on to say that they set up a rendezvous with the "Road To Recovery" effort in Highland last Friday morning. Then, "Road to Recovery" delivered everything to Staten Island and Long Beach later that day. NYSBA also raised over \$600.00 for the American Red Cross and those checks were sent to the Red Cross and earmarked for "Sandy relief". No action was required by the Board.

NEW BUSINESS:

1) Governance Committee Recommendation - NYSBA Procurement Guidelines

The Governance Committee recommended to the full Board to amend the Procurement Guidelines by defining a competitive advantage for MWBE certified vendors in certain circumstances as “up to 10% variance to the lowest qualified bid or proposal in the evaluation of their bids or proposals.” Chairman Vecellio called for a motion. On a motion of Commissioner Higgins, seconded by Commissioner Ramaglia, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 012-129

Resolution Date: November 15, 2012

WHEREAS, in accordance to Public Authorities Law Section 2879(1), Public Authorities Law Section 2879(3)(b)(i) and State Finance Law Section 163(6), the Governance Committee has recommended amendments to the Procurement Guidelines of the New York State Bridge Authority to add clarity to the procurement guidelines as well as assist the Authority in achieving the objectives of Governor Cuomo’s Executive Order No. 8; and,

WHEREAS, Authority Counsel has reviewed the proposed amendment to the Procurement Guidelines, last amended on August 19, 2010 and found it in order; now therefore,

BE IT RESOLVED that the Board of Commissioners amends the Procurement Guidelines of the New York State Bridge Authority, Article V, Section 5.01, 8 (c) by defining a competitive advantage as “up to 10% variance to the lowest qualified bid or proposal in the evaluation of their bids or proposals.”

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 15th day of November, 2011.

Joseph Ruggiero, Secretary

2) Governance Committee Recommendation - NYSBA By-Laws

The Governance Committee also recommended to the full Board to amend NYSBA's By-Laws. The proposed amendments were to remove an annual meeting time, change the number of members constituting a quorum and remove the designation of an assistant secretary. Chairman Vecellio made a motion. On a motion of Commissioner Higgins, seconded by Commissioner Ramaglia, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 012-130

Resolution Date: November 15, 2012

WHEREAS the Governance Committee has recommended amendments to the By-Laws of the New York State Bridge Authority to bring the By-Laws into compliance with current governance practice and Public Authorities Law; and,

WHEREAS, Authority Counsel has reviewed the proposed amendments to (1) remove an annual meeting time, (2) change the number of members constituting a quorum and (3) remove the designation of an assistant secretary and found them in order; now therefore,

BE IT RESOLVED that the Board of Commissioners Amends the By-Laws of the New York State Bridge Authority as follows:

- ARTICLE II, Meetings of the Board and Quorum
 - Section 1. Annual Meetings. ***Remove 9:00 A.M. as the time of the Board Meeting***
 - Section 4. Quorum. ***Replace three (3) with four (4) as the number of members constituting a quorum***
- ARTICLE III, Officers
 - Section 5. Assistant Secretary. ***Section deleted***; 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 15th day of November, 2011.

Joseph Ruggiero, Secretary

3) Appointment of TJ Hanlon as a NYSBA Police Officer

Mr. Ruggiero reported to the Board that consistent with Counsel's advice and current NYSBA policy regarding basic requirements for appointment as a police officer, Director of Operations & Security Terrence J. Hanlon is a New York State MPTC Certified Police Officer may serve as an appointed Police Officer of the NYS Bridge Authority under Section 528, Public Authorities Law. Chairman Vecellio called for a motion. On a motion of Commissioner Ramaglia, seconded by Commissioner Higgins, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 012-131

Resolution Date: November 15, 2012

WHEREAS, Section 528, Public Authorities Law, confers upon the New York State Bridge Authority the power to appoint or designate one or more persons as police officers for the Authority; now therefore,

BE IT RESOLVED that Terrence J. Hanlon is hereby appointed as New York State Bridge Authority police officer to hold such position until separated from the service of the Bridge Authority or until such earlier date as this Authority shall determine; and,

BE IT FURTHER RESOLVED that nothing herein shall be construed to confer on any individual the right to carry firearms or a weapon in the course of his or her duties for the Authority or that no firearms shall be permitted on Bridge Authority premises except as provided by law; 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 15th day of November, 2012.

Joseph Ruggiero, Secretary

OLD BUSINESS:

1) Nightwatch Status Update – Patron Testing

Mr. Bushek indicated to the Board that subsequent to the “Sandbox” test that was conducted outside the production system in October, Authority staff installed the Nightwatch lane and plaza upgrades into the Kingston production systems. These upgrades functioned as designed and allowed the Authority to conduct a test of a majority of the machine functionality utilizing patrons on November 7. Mr. Bushek explained that the test consisted of creating a traffic pattern to allow the Authority to approach patrons willing to voluntarily use the machine for free passage and subsequent to using the machine patrons were asked to take a short survey. The Authority had 84 patrons use the machine over the course of approximately two hours. Mr. Bushek indicated that the testing was a success overall and identified several critical areas that will further allow the Authority to improve the experience to the patron. With all of the lessons learned the Authority is expected to have implemented improvements for the next test scheduled for the week of November 26th. Mr. Bushek noted that of the 84 patrons, only two were unsuccessful. The first being that the machine had an accidental improper replacement of a component during servicing of a machine that prevented accepting bills and the second related to an invalid E-Z pass tag read by the lane. All other instances resulted in a successful transaction. With this first patron test the Authority achieved a significant milestone. With the continued support of TTI the Authority will make further progress toward bringing the machine live. Mr. Bushek added that pending the results of testing associated with software to be received from TTI on or about November 29th the Authority will begin to develop a detailed go-live timeline. No action was required by the Board.

This concluded the regular meeting. Chairman Vecellio asked for a motion to adjourn the meeting. On a motion of Commissioner Dressel, seconded by Commissioner Higgins and approved unanimously, the regular meeting adjourned at 4:05 P.M.

The next regular meeting is scheduled for December 20, 2012 at 3:00 P.M. at Headquarters.