

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

HELD AT HEADQUARTERS, HIGHLAND, NY. ON
November 21, 2013

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:

Gerentine, Richard A., Chairman
Ramaglia, Joseph, 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

Chairman Gerentine called the meeting to order at 3:10 pm. Chairman Gerentine called for a motion to adopt the minutes of the regular meeting of October 17, 2013. On motion of Commissioner Lashua, seconded by Commissioner Higgins, the minutes of the October 17, 2013 Regular Meeting were adopted unanimously.

ADMINISTRATION:

- 1) IAG Special Amendment to Operating Agreement – RE: Niagara Falls Bridge Commission Mr. Russo indicated that the E-ZPass Interagency Group is processing an application by the Niagara Falls Bridge Commission (NFBC) for National Affiliate Membership to become interoperable with E-ZPass. A component of the application process, in accordance with Amendment No. 8 of the IAG Operating Agreement, involves lane testing of reader equipment that is not already approved by the IAG as being E-ZPass compatible. The NFBC proposes to use a tri-protocol reader produced by Transcore that is similar to the dual protocol reader in use by North Carolina with one additional protocol. The NFBC has requested relief from a portion of the test requirements as it feels that the proposed reader presents little risk to the IAG and does not see the need for a costly and protracted testing scenario. The IAG Executive Management Committee has discussed this issue at length and has agreed to consider accommodating the request by defining a subset of the testing requirements and proposing Amendment No. 10 to the IAG Operating Agreement for this unique circumstance and for the NFBC only, with no precedent being established for any future entities. Chairman Gerentine called for a motion. On a motion of Vice Chairman Ramaglia, seconded by Commissioner Higgins, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 013-107

Resolution Date: November 21, 2013

WHEREAS the parties to the E-ZPass Interagency Operating Agreement have determined it to be necessary and in the best interest of the parties to amend the Agreement to modify the terms of the testing requirements, described in Amendment No. 8, solely for the applicant for National Affiliate, the Niagara Falls Bridge Commission ; and

WHEREAS, the Board has reviewed the memo and E-ZPass IAG Operating Agreement Amendment No. 10 as provided by its IAG Executive Management Committee representative describing the substantive terms of the proposed amendment; now therefore

BE IT RESOLVED that the Executive Director or the Chairman is hereby authorized to execute, acknowledge and deliver Amendment No. 10 to the IAG Operating Agreement as adopted by the IAG Executive Management Committee. The execution of the Amendment by any such officer shall be conclusive evidence of approval. 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.

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 November, 2013.

Joseph Ruggiero, Secretary

ENGINEERING:

1) Treated Salt – System-Wide Procurement

Mr. Moreau reported that OGS has a contract in place for Type 2 Treated Salt through December 31, 2013. Mr. Moreau contacted three (3) vendors authorized to provide salt through this contract and requested pricing for the entire winter season. The vendor with the lowest proposal, International Salt, offered the Authority prices below the OGS contract. Five (5) separate requisitions for purchases at each facility will be prepared. A brief discussion followed indicating this supply would be for the season and the salt sheds were filled at the end of October. Chairman Gerentine called for a motion. On a motion of Higgins, seconded by Vice Chairman Ramaglia, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 013-108

Resolution Date: November 21, 2013

WHEREAS, the Board has determined it is in the Authority's interest to award a contract to supply winter deicing salt; and

WHEREAS, the Authority has previously purchased this product through the NYSOGS contract which is only in place until December 31, 2013; and

WHEREAS, unit prices were solicited from available suppliers and are lower than current OGS negotiated prices; and

WHEREAS, International Salt, of Clark's Summit, Pennsylvania provided the low quote;

BE IT RESOLVED that the Authority award five purchase orders, one for each facility, with a total amount not to exceed \$111,168.75; 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 November, 2013.

Joseph Ruggiero, Secretary

2) Emergency RACON Purchase

Mr. Moreau reported to the Board that the Authority was notified by the US Coast Guard in September that the RACON at the RVWB was not functioning. Mr. Gardner and the RVWB crew checked the power supply and determined that the unit was defective. There are no diagnostics or indicator lights on the unit to verify performance. The unit's manufacturers, Automatic Power, sent an email notifying the Authority that the unit was no longer functioning and could not be repaired due to its age. Apparently the problem has been sporadic and was not immediately discovered. The Coast Guard notification comes with the warning that this important aid to navigation must be restored immediately or the Authority faces fines of \$25,000.00 each day it is non-operational. It was recommended to buy a replacement unit immediately to avoid any financial penalties from the USCG. Two prices were secured from Coast Guard approved vendors. The current vendor cannot deliver a unit until the end of the month while the second vendor, Tideland, has a unit on the shelf that can ship immediately. Mr. Moreau recommended moving forward aggressively with Tideland to maintain our rapport with the Coast Guard. Chairman Gerentine called for a motion. On a motion of Vice Chairman Ramaglia, seconded by Commissioner Higgins, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 013-109

Resolution Date: November 21, 2013

WHEREAS, the radar beacon at the Rip Van Winkle Bridge is no longer functional and radar beacons, or RACONS, are a United States Coast Guard-mandated aid to navigation; and

WHEREAS, the Authority has returned the RACON unit to its manufacturer for repair and been told it is no longer viable; and

WHEREAS, the Authority faces potential fines of \$25,000.00 per day for each day the RACON is non-operational;

WHEREAS, an emergency purchase order was authorized by Executive Director Joseph Ruggiero and issued to Tideland Signal of Houston, Texas in the amount of \$46,974.25 on November 12th, 2013 for a new SeaBeacon 2 System 6 RACON; now therefore

BE IT RESOLVED that the Authority's Board of Commissioners ratifies the decision to make this emergency purchase; 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 November 2013.

Joseph Ruggiero, Secretary

3) Modjeski & Masters – MHB Dehumidification Project

Mr. Moreau indicated that one of the projects included in the five year CIP for 2014 is an upgrade to the dehumidification equipment in the anchorages of the MHB and improved controls for the dehumidification in the towers. These areas are sensitive critical areas of the structure and Mr. Moreau recommended this assignment be issued to M&M as a part of their General Consultant service agreement. The cost for this design is within their current budget and construction would be put out to bid through a pre-qualified confidential RFP. No action required by the Board.

4) Hudson Valley Bridge – Standby Readiness Increase

Mr. Moreau indicated to the Board that Hudson Valley Bridge (HVB) has been performing emergency bridge and highway repairs under contract BA-2013-RE-101-CM. This year was a busy one with numerous full-depth deck repairs on the westbound bridge at NBB and a large scale deck repair at KRB. This is a three year term contract with an award amount totaling \$494,000.00. The Authority has spent over \$450,000.00 this year alone and would like to increase the contract limit to \$744,000.00 to cover unanticipated events over the next two years. Although great strides have been made improving the structural condition of the NBB north span deck, it is anticipated that additional repairs will be required. HVB has also been used to repair the large sign structure damaged earlier this year by the tractor trailer accident at NBB and repairs to the west end crossover associated with the same incident. Having an on-call contractor available for emergency and priority repairs is paramount to the quick response and the ability to return facilities back to full service in a timely manner. HVB has been very responsive and we are pleased with their work to date. Chairman Gerentine called for a motion. On a motion of Commissioner Higgins, seconded by Vice Chairman Ramaglia, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 013-110

Resolution Date: November 21, 2013

WHEREAS, bids were solicited through the New York State Contract Reporter for the contract entitled “System-wide Emergency Bridge and Highway Repairs – Standby Readiness” (BA-2013-RE-101-CM) and two bids were received on January 3rd, 2013, the low bidder being the firm of Hudson Valley Bridge Construction (HVB); and

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

BE IT RESOLVED that the contract awarded to HVB of Harriman, New York be increased in the amount of \$250,000.00 from a not-to-exceed amount of \$494,000.00 to \$744,000.00; 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 November, 2013.

Joseph Ruggiero, Secretary

5) Kapsch – E-ZPass Annual Maintenance

Mr. Moreau indicated that Kapsch TrafficCom IVHS, Inc. has been the sole source service provider for E-ZPass antennae and signal processing since the inception of E-ZPass. The rates and contractual terms of their service agreement are negotiated by the IAG for all E-ZPass agencies. In 2010, the existing maintenance agreement expired and terms of a new agreement were advertised and cost proposals were received. Once again, Kapsch was selected as the sole source provider. Their ten year maintenance service term began in 2012; service between 2010 and November 2012 was handled on a year by year basis under the same terms as the previous agreement. In November of 2012 our Board authorized this Authority to enter into a contract with Kapsch for the remaining nine (9) years under the terms and rates negotiated by the IAG. This contract amount was set at \$304,852.00. This year's cost remains the same as last year and was billed at \$34,144.00. Chairman Gerentine called for a motion. On a motion of Vice Chairman Ramaglia, seconded by Commissioner Higgins, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 013-111

Resolution Date: November 21, 2013

WHEREAS, the New York State Bridge Authority utilizes Kapsch TrafficCom IVHS equipment for the reading of E-ZPass tags for electronic toll processing; and

WHEREAS, the Authority has determined it is in the public interest to maintain this equipment through services provided by Kapsch TrafficCom IVHS and identified through the current E-ZPass Interagency Agreement and accepted by the Authority's Board at their November 2012 meeting;

BE IT RESOLVED that the Authority will continue their maintenance agreement at an annual cost of \$34,144.00 and a purchase order be issued to Kapsch TrafficCom IVHS in this amount; 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 November 2013.

Joseph Ruggiero, Secretary

6) RVWB Project Nightwatch

Mr. Moreau reported that one of the security enhancements recommended for the Rip Van Winkle Bridge, in advance of implementing Project Nightwatch, is a security gate for the north access road at the west end of the bridge. The Authority's CIP included \$72,000.00 for security gate improvements and Mr. Moreau recommended assigning the work to Transdyn as the gate must be integrated into the remote control security system. Transdyn was awarded a project entitled Nightwatch Security Enhancements at the May 2013 Board meeting, which did not include this task. Mr. Moreau also recommended increasing their scope of work and budget to include this security gate installation. The estimate for this assignment is expected not to exceed \$40,000.00 and accordingly Mr. Moreau recommended an increase from the current \$102,950.00 to \$142,950.00 to cover this additional work. Chairman Gerentine called for a motion. On a motion of Commissioner Higgins, seconded by Vice Chairman Ramaglia, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 013-112

Resolution Date: November 21, 2013

WHEREAS, the New York State Bridge Authority utilizes Transdyn, Inc., for our security system design and construction; and

WHEREAS, the Authority has determined it is in the public interest to enhance security at the Rip Van Winkle Bridge by limiting access to the north entry on the west end of the bridge;

AND WHEREAS, Transdyn is already under contract to provide security enhancements under contract BA-2013-RO-109-PS.1 and is uniquely qualified for this assignment, we recommend increasing their scope and budget to include the installation of this security gate;

BE IT RESOLVED that the Authority will increase the budget for this project from 102,950.00 to \$142,950.00; 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 November 2013.

Joseph Ruggiero, Secretary

7) Jobs in Progress

Mr. Moreau advised the Board regarding the Engineering Jobs in Progress Report for the month of October, noting that the paint project at Newburgh-Beacon Bridge is almost complete for the year and will start up again in the spring. He also mentioned that the deck replacement project is progressing and eight deck panels are being installed per night, with the contractor working into mid-December. Chairman Gerentine 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.: 013-113

Resolution Date: November 21, 2013

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 November 2013.

Joseph Ruggiero, Secretary

FINANCIAL:

1) Investment Transaction Report

Mr. Bushek reviewed the Investment Report for the month of October noting six investments for the month. Mr. Bushek noted that the interest income remains steady and the yield is down slightly. Chairman Gerentine called for a motion. On a motion of Commissioner Dressel, seconded by Commissioner Higgins, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 013-114

Resolution Date: November 21, 2013

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 17, 2013; 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 November 2013.

Joseph Ruggiero, Secretary

2) Budget and Financial Plan 2014-2017

Mr. Bushek indicated 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 2014-2016 (the Plan) required by this regulation and includes the Budget and Financial Plan 2014-2017 including text, condensed budgeted revenues, expenditures and changes in current net assets 2014 – 2017, actual financial performance for 2012 and the change in estimates for the previously approved 2013 budget, Debt Schedule 2014 – 2017, Capital Improvement Program 2014 – 2018. The above documents were provided to audit and finance committee members and other Board members at the meeting on September 19th. Both committees approved sending the budget to the full Board for approval. No changes have been made. As of November 21st, the Plan has been available for public inspection and comment at all of our 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 Gerentine called for a motion. On a motion of Vice Chairman Ramaglia, seconded by Commissioner Higgins, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 013-115

Resolution Date: November 21, 2013

WHEREAS, Office of the State Comptroller Regulation 2 NYCRR Part 203 requires that Bridge Authority budget and financial plan information for fiscal years 2014 through 2017 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 21st day of November 2013.

Joseph Ruggiero, Secretary

3) Public Authority Cost Recovery Charges

Mr. Bushek indicated that the Public Authorities Law §2975 directs the Division of Budget (DOB) to allocate expenses for central governmental services to various public authorities including the NYS Bridge Authority. Each year, the Authority is billed by the division of the Treasury's Taxation and Finance Department for a portion of the \$55,000,000 which may be charged for these services. The Bridge Authority's share of this billing for the year ending March 31, 2014 is \$369,000, up \$86 from 2013. Chairman Gerentine called for a motion. On a motion of Commissioner Higgins, seconded by Vice Chairman Ramaglia, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 013-116

Resolution Date: November 21, 2013

WHEREAS, the Board has reviewed the report relative to the payment of public authority cost recovery charges for central government services as mandated by Public Authorities Law; now therefore

BE IT RESOLVED the New York State Bridge Authority does hereby approve the payment of \$369,000 to the Department of Taxation and Finance for the Bridge Authority's share of these costs for the year ending March 31, 2014; 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 November 2013.

Joseph Ruggiero, Secretary

4) Annual Billing from NYS Employees' Retirement System

Mr. Bushek reported 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, 2014 is \$2,050,908 for the Authority's 171 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. This year's cost is an increase of \$254,052, or 14.1% over the prior year. Although smaller than the 42% increase from prior year, 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. A brief discussion followed relative to the makeup of salaries changing from Tiers 3 & 4 declining to growing in Tier 5 & 6. Chairman Gerentine called for a motion. On a motion of Commissioner Higgins, seconded by Vice Chairman Ramaglia, the following resolution was adopted unanimously:

NEW YORK STATE BRIDGE AUTHORITY
BOARD RESOLUTION

Resolution No.: 013-117

Resolution Date: November 21, 2013

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 \$2,050,908 to the New York State and Local Retirement System for pension costs incurred for the year ending March 31, 2014; 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 November 2013.

Joseph Ruggiero, Secretary

5) Quarterly Operations Report Q3 2013

Mr. Bushek reported that toll revenue increased 2.48% primarily as a result of the revised toll schedule which was implemented during first quarter last year on January 30, 2012. Operating expenses were budgeted at \$30.3 million for 2013, which includes \$2.3 million for accrual post-employment benefits and \$1.6 million for depreciation of the Walkway Over The Hudson, both booked at year end. As of September 30th, \$17.4 million was spent. The Authority's five year capital plan originally budgeted \$ 55 million and as of September 30th \$11.5 million has been spent. No action required by the Board.

REPORTS TO BOARD:

1) Monthly Activity Report of the Executive Director

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

2) October 2013 Traffic and Revenue Analysis

Year to date Bridge Authority's traffic numbers are up 70,578 from last year's traffic count, an increase of 0.14%. Total traffic has increased in six of the last seven months after declining in the nine of the previous ten months. No action was required by the Board.

3) October 2013 E-ZPass Sales Analysis

The Authority sold 830 tags in October 2013, compared to 42 sold in October of 2012. Year-to-date 2013 tag sales are 9,079, compared to 565 sold year to date 2012, an increase of 1,607%. No action was required by the Board.

This concluded the regular meeting. Chairman Gerentine asked for a motion to adjourn the meeting. On a motion of Vice Chairman Ramaglia, seconded by Commissioner Higgins and approved unanimously, the regular meeting adjourned at 3:41 P.M.

The next regular meeting is scheduled for December 19, 2013 at 3:00 P.M. at Headquarters.