



NEW YORK STATE BRIDGE AUTHORITY

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ANDREW M. CUOMO, *Governor*

JOSEPH RUGGIERO, *Executive Director*

BOARD

FRANCIS VECELLIO
Chairman

RICHARD A. GERENTINE
Vice Chairman

RODERICK O. DRESSEL
C. VANE LASHUA

ROGER P. HIGGINS
JOSEPH RAMAGLIA

Governance Committee Meeting Agenda December 20, 2012

Committee Members

Richard A. Gerentine, Chairman

Roger P. Higgins

C. Vane Lashua

1. Adopt the Minute of the November 15, 2012 meeting
2. Review of the Governance Committee Charter and the Authority's Mission Statement and Performance Measurements
3. Annual Report of the Governance Committee
4. Authorize the Confidential Evaluation of Board Performance Survey of Commissioners for 2012
5. Other Business
6. Adjourn

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B R I D G E S

**New York State Bridge Authority Governance Committee
Meeting Minutes of November 15, 2012**

The New York State Bridge Authority's Governance Committee met at the Authority's Headquarters in Highland, New York, at 3:05 p.m. on November 15, 2012.

In addition to Governance Committee Chairman Richard Gerentine and Committee members Vane Lashua and Roger Higgins, those in attendance included:

Francis Vecellio
Roderick Dressel
Joseph Ruggiero
Brian Bushek
Carl G. Whitbeck, Jr., Esq.

Upon a motion made by Chairman Gerentine and seconded by Mr. Higgins, the minutes of the July 19, 2012 meeting were approved unanimously.

Chairman Gerentine stated that the committee reviewed and recommended the proposed amendment of NYSBA Procurement Guideline to address Minority & Woman Owned Business procurement, removing a vague description of "competitive advantage" and adding clarity. Mr. Gerentine made a motion to accept the amendment of NYSBA Procurement Guidelines and recommend to the full Board, seconded by Mr. Higgins.

GUIDELINES

**NEW YORK STATE BRIDGE AUTHORITY
ESTABLISHING STANDARDS FOR THE USE, AWARD
— — MONITORING AND REPORTING OF PROCUREMENT CONTRACTS**

**ARTICLE V
MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE UTILIZATION**

Sec. 5.01 It is the goal of the Authority to (a) promote and assist participation by minority women-owned business enterprises in competition for Procurement Contracts and to (b) award a fair share of Procurement Contracts to minority and women-owned business enterprises.

(a) The Department Director of the Authority department responsible for solicitation of goods, materials or services shall use his/her best efforts to ascertain the identity of minority and women-owned business enterprises in various areas of Authority procurements and, depending on the amount and nature of the procurement, bids, price quotes or proposals shall be solicited from such enterprises to the extent feasible. Consultation should be made to the director of certified minority and women-owned businesses at a minimum.

(b) When compensation is expected to exceed \$25,000 for non-personal and personal service contracts and \$100,000 for construction contracts, the Authority shall require the proposer to submit a minority and women-owned business enterprise utilization plan for achieving a goal for participation of certified minority and women-owned businesses. Goals shall be set at the discretion of the Authority based on the following factors:

1) The contract scope of work;

2) The number and types of certified minority and women-owned business enterprises available in the directory to perform the state contract work, and their availability in the region of contract performance. In determining the region where the state contract is performed the state agency shall consider:

(i) The location of work as stated in the contract, and

(ii) The locations in New York State where the contractor performs the contract scope of work;

3) The total dollar value of the work required by the state contract in relation to the dollar value of the components of the contract scope of work;

4) The relationship of the size and term of a state contract to the size and term of a project for which purpose the state contract is awarded;

5) The Authority's ability to identify certified minority and women-owned businesses to meet goals required by the state contract;

6) The percentage of minority and women-owned business by type of business as compared to the known businesses of the same type located in the region where the contract scope of work will be performed;

7) The known success or failure of minority and women-owned business in obtaining participation on state contracts engaged in the types of work as businesses or suppliers required by the contract; and

8) The Authority may also consider the following factors in determining what goals are appropriate in relation to a particular state contract or type of contracts:

(i) The ability of the Authority to meet goals for participation by certified minority and women-owned business enterprises established in relation to other similar state contracts or types of contracts in the same region; and

(ii) The ability of other state agencies or authorities to meet goals for participation by certified minority and women-owned business enterprises established in relation to similar state contracts, or types of contracts performed in the same region.

(c) When compensation is expected to be less than \$25,000 for other than personal service contracts and less than \$100,000 for construction contracts, the Authority will give companies or

firms certified as minority or women-owned businesses or companies who work in conjunction with certified minority or women-owned businesses, a competitive advantage of up to 10% variance to the lowest qualified bid or proposal in the evaluation of their bids or proposals.

Chairman Gerentine stated that the committee reviewed the amendment to the NYSBA By-Laws which would bring the By-Laws into conformity with current governance practices. Mr. Gerentine made a motion to accept the amendment to the NYSBA By-Laws and recommend to the full Board, seconded by Mr. Lashua.

NEW YORK STATE BRIDGE AUTHORITY BYLAWS

ARTICLE I OFFICES

Section 1. Headquarters. The principal office and headquarters of the corporation shall be at the Mid-Hudson Bridge Plaza in Highland, New York. Except as otherwise specified by resolution of the Board, all books and records of the corporation shall be maintained at the principal office.

Section 2. Other Offices. The corporation may have other offices at such place or places as the Board may from time to time designate.

ARTICLE II MEETINGS OF THE BOARD AND QUORUM

Section 1. Annual Meeting. An annual meeting of the Board shall be held between the 15th day of April and the 31st day of May of each year at the principal office of the Authority, or at such other time and place as may be designated by the Board on at least five days notice. At such meeting, the Board shall elect officers and transact such other business as is within the power of the Board.

Section 2. Regular Meetings. Regular meetings of the Board may be held without notice at such places and times as shall be determined from time to time by resolution of the Board.

Section 3. Special Meetings. Special meetings of the Board for any purpose or purposes may be called on at least one day's notice by the Chair, and shall be called on at least one day's notice by the Chair, Vice-Chair or Secretary at the request in writing of a majority of the Board.

Section 4. Quorum. A majority of the members of the full Board present in person shall constitute a quorum for the transaction of business. If at any meeting of the Board, there shall be less than a quorum present, a majority of those present may, without further notice, adjourn the meeting from time to time until a quorum shall attend, but no business shall be transacted at any such adjourned meeting except such as might have been lawfully transacted had the meeting not been adjourned. Except as otherwise provided in the Bylaws, any act of at least *four (4)* members present at a meeting at which there is a quorum shall be the act of the Board.

Section 5. Notice and Waiver of Notice. Notice of any meeting, stating the place and time thereof, shall be given by the Secretary or Assistant Secretary to each member of the Board. Whenever notice of meeting is required by the Bylaws to be given, it shall be construed to mean personal notice given by telephone or telegram, or notice given in writing by depositing the same in a United States post office or letter box, in a sealed post-paid wrapper addressed to the person entitled thereto at his or her address as the same appears on the books of the corporation and such notice shall be deemed to have been given on the day of such mailing, provided however, that any notice of three days or less must be given by telephone or telegram.

Whenever notice of any meeting shall have been waived in writing by all of the members, no notice thereof shall be required; and a waiver of notice for any meeting signed by any member, shall be equivalent for all purposes to due notice of such meeting to the member so signing. Whenever all the members shall attend a meeting, such meeting shall be valid for all purposes, without call or notice, and at such meeting any and all business may be transacted.

Notice shall also be given to the news media and the public as required by Section 104 of the Public Officers Law.

Section 6. Electronic Participation. Any one or more members of the Board or any committee thereof may participate in a meeting of such Board or committee by means of a videoconference or similar communications equipment allowing all persons participating in the meeting to hear and observe each other at the same time. Participation by such means shall constitute presence in person at a meeting.

ARTICLE III OFFICERS

Section 1. Officers. The Board at its annual meeting shall elect from its number a Chair and Vice-Chair. It shall also elect a Secretary, Assistant Secretary, Treasurer and General Counsel who need not be members of the Board. Each officer shall hold office at the pleasure of the Board and until his or her successor shall have been duly elected and qualified. The term of office shall be one year unless he or she shall have died, resigned, been removed or replaced prior to the expiration of said one-year period. Any vacancy in any of the above offices shall be filled for the unexpired portion of the term by the Board at any regular or special meeting.

Section 2. Chair. The Chair shall be the executive officer of the corporation and shall preside at all meetings of the Board at which he shall be present. The Chair shall see that all orders and resolutions of the Board are carried into effect and shall perform all duties, as from time to time, may be assigned to the Chair by the Board.

Section 3. Vice-Chair. The Vice-Chair shall, in the absence or disability of the Chair, or in the case of a vacancy in the office of the Chair, perform the duties and exercise the powers of the Chair, and shall perform such other duties as may be assigned to the Vice-Chair by the Board.

Section 4. Secretary. The Secretary shall attend the meetings of the Board and keep the minutes of the meetings in books provided for the purpose. The Secretary shall give or cause to be given notice of the meetings of the Board required by the Bylaws. The Secretary shall be the custodian of the records and of the corporate seal of the corporation and shall see that the corporate seal is affixed to all instruments requiring it, the execution of which, on behalf of the corporation, is duly authorized, and when so affixed may attest the same. The Secretary shall have authority to cause copies to be made of minutes or other records or papers of the corporation and certificates under seal of the corporation to the effect that such copies are true copies thereof and shall perform such other duties as may be assigned to the Secretary by the Board.

Section 5. (Section Removed 11.15.12)

Section 6. Treasurer. The Treasurer shall perform such financial duties as shall be assigned from time to time by the Board.

Section 7. General Counsel. The General Counsel shall be the legal advisor to the Board and the Executive Director. The General Counsel shall provide information and advice on laws, regulations and judicial decisions, draft and examine agreements and contracts, and advise on all legal matters affecting the Authority.

ARTICLE IV OBLIGATIONS AND CONTRACTS

Section 1. Obligations and Contracts. All bonds, notes or other evidences of indebtedness issued in the name of the corporation, and all contracts or other instruments imposing liability on the corporation shall be signed by such officer or officers or agent or agents of the corporation, and in such manner, as shall be determined from time to time by the Board.

ARTICLE V ADMINISTRATION

Section 1. Executive Director. The Board shall appoint an Executive Director who shall be responsible for the administrative management of the business of the Authority, subject to the direction of the Board. The Executive Director shall attend all meetings of the Board, preside at meetings of the staff and shall be a member of all committees of the Authority.

Section 2. Deputy Executive Director. The Board may appoint a Deputy Executive Director who, in the absence of the Executive Director or in the case of a vacancy in the office of the Executive Director, shall perform the duties and exercise the powers of the Executive Director.

Section 3. Other Offices. The Board (1) may, by resolution, create other senior management offices and designate the duties and powers thereof and (2) may reserve the power to confirm the filling of such offices by resolution.

ARTICLE VI SEAL

Section 1. The official seal of the Authority shall be a circular design bearing the words "New York State Bridge Authority, A.D. 1932" around the circumference thereof and the words "Corporate Seal" in the center. The Secretary shall be custodian of the seal.

ARTICLE VII INDEMNIFICATION

New York State Bridge Authority shall indemnify any member of its Board or any officer of the Authority who is made a party to an action or proceeding by reason of the fact that he or she was a member of the Board or an officer, in connection with any official action taken by such member or officer against judgments, amounts paid in settlement with the consent of the New York State Bridge Authority, and reasonable expenses including attorneys' fees actually and necessarily incurred as a result of such action or proceeding or any appeal therein, if such person acted in good faith, for a purpose which he reasonably believed to be in the best interests of the New York State Bridge Authority and, in addition, had no reasonable cause to believe that his or her conduct was unlawful or improper. This indemnification is intended to conform to Section 18 of the Public Officers Law and to apply to all Authority members, officers and employees.

ARTICLE VIII AMENDMENTS

The Bylaws may be altered, amended or repealed, or new Bylaws may be made, by resolution of the Board. Such resolution, unless adopted by the unanimous vote of all the members of the Board upon submission, shall after submission, be laid on the table until the next succeeding meeting of the Board when it shall become effective upon adoption by the Board. In the event that such next meeting is a special meeting, notice thereof shall state the substance of the proposed alternation or amendment, or of the new Bylaws, or that it is proposed that the Bylaws be repealed.

Having no other business, the meeting adjourned at 3:07 pm.

Authorities Budget Office Policy Guidance



Authority Mission Statement and Performance Measurements

Name of Public Authority: New York State Bridge Authority

Public Authority's Mission Statement

The mission of the New York State Bridge Authority is to maintain and operate the vehicle crossings of the Hudson River entrusted to its jurisdiction for the economic and social benefit of the people of the State. The Authority will maintain the vehicular bridges and related infrastructure in good condition for the benefit of the travelling public, provide for long-term financial stability of the Authority, and do so at the lowest cost consistent with long term safety and stability. The Authority will provide for accountability and transparency in its operations.

Date Adopted: September 29, 2011

List of Performance Goals

1. **Goal: Reliable, Safe and Convenient River Crossings.** The Authority is responsible for providing reliable, safe and convenient access across the Hudson River to all lawful traffic within the framework of a sound long-term financial policy. To that end, the Authority will maintain a vigorous, integrated program of inspection, maintenance, repair and rehabilitation to ensure the structural integrity of its facilities and the safety of its patrons.

Performance Measures:

- Conduct biennial and annual maintenance inspections by independent consulting engineers
- Develop and update annually a five year capital plan for the bridges necessary to maintain a good (level 5) condition for the vehicular bridges
- Develop and implement the annual capital program and maintenance plan taking into account the inspection results
- Develop emergency response and security plans

2. **Goal: Fiscal Prudence.** The Authority will control expenditures to the extent consistent with prudent stewardship and responsible administration.

Performance Measures:

- Obtain an Independent Auditors' audit of the Authority's financial statements
- Prepare and annually update a five year financial plan based on capital funding needs and a fiscally prudent operating budget
- Annually review and approve a budget for operating and capital expenditures
- Annually evaluate compliance with the Authority's procurement policy
- Provide periodic budget to actual report to enable moderation of controllable expenses throughout the year.

3. **Goal: Limit Toll Rates.** Consistent with the financial plan, implement the lowest possible toll rates necessary to enable the Authority to meet its obligations including providing for adequate and necessary reserves.

Performance Measures:

- Annually review toll revenue projections taking into account annual receipts
- Include in the five year financial plan a schedule of toll revenue increases based on capital needs and taking into consideration the impact on the travelling public
- Plan and approve new toll schedules as required by the financial plan
- Periodically evaluate service levels and associated costs
- Periodically evaluate shared service opportunities
- Promote the use of EZPass services in the interests of fiscal prudence and the convenience of the travelling public
- Evaluate and implement methods to obtain additional revenue sources such as conduit leases.

4. **Goal: Maintain Access to Capital Markets.** Maintain access to capital markets in order to provide for the lowest possible tolls necessary to support Bridge maintenance.

Performance Measures:

- Provide for timely and comprehensive financial reporting
- Maintain compliance with coverage factors required by bond resolution

5. **Goal: Maintain Transparency.** The Authority will operate in a fiscally transparent and open manner.

Performance Measures:

- Annually evaluate communications with the public regarding the Authority's programs and services and prompt responses to public inquiries
- Provide website access to the annual audit report
- Provide website access to required financial and operating documents as well as other documents of interest to the travelling public
- Coordinate with overlapping municipal, state and federal agencies regarding local construction projects, emergency planning, and other initiatives relevant to authority operations.

Additional questions:

1. Have the board members acknowledged that they have read and understood the mission of the public authority? Yes.
2. Who has the power to appoint the management of the public authority? The Board of Commissioners.
3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority? The Board has no formal policy and considers the recommendation of the Governor's Office regarding the appointment of senior management.

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

The Board determines the policies, established overall objectives, decides on a budget and capital plan, approves contracts and expenditures as statutorily required to implement the mission of the Authority. The Board requires regular reports of the activities of the Authority and charges Management with the execution of those policies in order to implement the mission of the Authority.

Management executes the policy as determined by the Board. Management operates the day to day functions of the Authority with the mission in mind and reports to the Board.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions? Yes.

NEW YORK STATE BRIDGE AUTHORITY GOVERNANCE COMMITTEE CHARTER

The Governance Committee Charter was adopted by the Board of the New York State Bridge Authority (the "Authority Board"), a public benefit corporation established under the laws of the State of New York, on this 21st day of June, 2007 and revised on January 21, 2010 in accordance with amendments made to the Public Authorities Law by Chapter 506 of the Laws of 2009.

Pursuant to Section 2824(7) of the Public Authorities Law, the Authority has established a governance committee.

Purpose

The purpose of the governance committee is to assist the Authority Board by:

- Keeping the Board informed of current best practices in corporate governance;
- Reviewing corporate governance trends for their applicability to the Authority;
- Recommending updates to the Authority's corporate governance principles and governance practices;
- Advising those responsible for appointing members of the Board on the skills, qualities and professional or educational experiences necessary to be effective Board members;
- Examining ethical and conflict of interest issues;
- Performing board self-evaluations; and
- Recommending by-laws which include rules and procedures for conduct of Board business.

Powers of the Governance Committee

The Authority Board has delegated to the governance committee the power and authority necessary to discharge its duties, including the right to:

- Meet with and obtain any information it may require from Authority staff.
- Obtain advice and assistance from in-house or outside counsel, accounting and other advisors as the committee deems necessary.
- Solicit, at the Authority's expense, persons having special competencies, including legal, accounting or other consultants as the committee deems necessary to fulfill its responsibilities. The governance committee shall have the authority to negotiate the terms and conditions of any contractual relationship subject to the Authority Board's adopted

procurement guidelines as per Public Authorities Law Section 2879, and to present such contracts to the Board for its approval.

Composition and Selection

The governance committee shall be comprised of at least three (3) independent members who constitute a majority on the committee and who possess the necessary skills to understand the duties and functions of the committee. In the event that the Governance Committee has less than three (3) independent members, the Authority Board may appoint non-independent members to the governance committee, provided that the independent members constitute a majority of the members of the governance committee.

The governance committee members shall be appointed by, and will serve at the discretion of the Authority Board. The Board may designate one member of the governance committee as its Chair. The members shall serve until their resignation, retirement, removal by the Board or until their successors shall be appointed and qualified. When feasible, the immediate past governance committee Chair will continue serving as a member of the Committee for at least one year to ensure an orderly transition.

In addition to the guidelines set forth in Section 2825 of the Public Authorities Law, a member shall be deemed "independent" if he or she is: (a) not employed by the Authority; (b) not employed by a state or local government; and (c) not employed by an entity, public or private, that is doing, or is likely to do, business with the Authority. Furthermore, Governance committee members shall be prohibited from being an immediate family member of an employee of the Authority. In addition, governance committee members shall not engage in any private business transactions with the Authority or receive compensation from any private entity that has material business relationships with the Authority, or be an immediate family member of an individual that engages in private business transactions with the Authority or receives compensation from an entity that has material business relationships with the Authority.

Committee Structure and Meetings

The governance committee will meet a minimum of twice a year, with the expectations that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter. All committee members are expected to attend each meeting. The Committee shall fix its own time and place of meetings and shall prescribe its own rules of procedure.

Meeting agendas will be prepared for every meeting and provided to the governance committee members at least five (5) days in advance of the scheduled meeting, along with the appropriate materials needed to make informed decisions. The governance committee shall act only on the affirmative vote of a majority of the members at a meeting. Minutes of these meetings are to be recorded.

Reports

The governance committee shall:

- Report its actions and recommendations to the Authority Board at a regular meeting of the Board.

- Report to the Authority Board, at least annually, regarding any proposed changes to the governance charter, the governance guidelines, or the Authority Board bylaws.
- Provide a self-evaluation of the governance committee's functions on an annual basis.
- Provide an examination of ethical and conflict of interest issues.
- Obtain advice or assistance from outside consultants, as the Committee deems necessary or appropriate, with full Board approval.
- Seek any information it requires from Authority officers or employees, all of whom are directed to fully cooperate with all Committee requests, as well as external parties.

The Authority Board shall ensure that the Committee has access to sufficient resources to carry out its responsibilities as hereinafter defined.

Responsibilities

To accomplish the objectives of good governance and accountability, the governance committee has responsibilities related to: (a) the Authority Board; (b) evaluation of the Authority's policies; and (c) other miscellaneous issues.

Relationship to the Authority's Board

The Board has delegated to the governance committee the responsibility to review, develop, draft, revise or oversee policies and practices for which the governance committee has specific expertise, as follows:

- Develop the Authority's governance practices. These practices should address transparency, independence, accountability, fiduciary responsibilities, and management oversight.
- Develop the competencies and personal attributes required of members of the Authority Board to assist those authorized to appoint such members in identifying qualified individuals.
- Develop and recommend to the Authority Board an oath of office whereby members acknowledge that they understand their roles and fiduciary duties as Board members.

In addition, the governance committee shall:

- Develop and recommend to the Authority Board the number and structure of committees to be created by the Board.

- Develop and provide recommendations to the Authority Board regarding Board member education, including new member orientation and regularly scheduled Board member training to be obtained from state-approved trainers.
- Develop and provide recommendations to the Authority Board on performance evaluations, including coordination and oversight of such evaluations of the Board, its committees and senior management in the Authority's governance process.

Evaluation of the Authority's Policies

The governance committee shall:

- Develop, review on a regular basis, and update as necessary the Authority's code of ethics, Board member code of ethics and written policies regarding conflicts of interest. Such codes of ethics and policies shall be at least as stringent as the laws, rules, regulations and policies applicable to state officers and employees.
- Develop and recommend to the Authority Board any required revisions to the Authority's written policies regarding the protection of whistleblowers from retaliation.
- Develop and recommend to the Authority Board any required revisions to the Authority's equal opportunity and affirmative action policies.
- Develop and recommend to the Authority Board any required updates of the Authority's written policies regarding procurement of goods and services, including policies relating to the disclosure of persons who attempt to influence the Authority's procurement process.
- Develop and recommend to the Authority Board any required updates on the Authority's written policies regarding the disposition of real and personal property.
- Develop and recommend to the Authority Board any other policies or documents relating to the governance of the Authority, including rules and procedures for conducting business of the Board, such as the Authority's by-laws. The governance committee will oversee the implementation and effectiveness of the by-laws and other governance documents and recommend modifications as needed.

Other Responsibilities

The governance committee shall:

- Review on an annual basis the compensation and benefits for the Executive Director and other senior management.
- Annually review, assess and make necessary changes to the governance committee charter and provide a self-evaluation of the governance committee.