

A Conference Call / Video Conference Meeting of the Board of the Dormitory Authority of the State of New York (“DASNY”) was held on February 3, 2021 with proceedings commencing at 9:30 a.m.

Alfonso L. Carney, Jr., Chairman: Thank you. I want to welcome Members to the February 3 Meeting of the Board. We’ve got a fair amount of business today, but before we can do any of that, because we are having a telephonic meeting and because it is an exception to the rule, we need to read into the record legal notices, and we have with us today, Sara Richards, who is now with the legal department, who will read those notices.

Sara Potter Richards, Managing Senior Director, Governance and Administration: Thank you, Mr. Chairman, and good morning to all.

On March 7, 2020, Governor Cuomo issued a disaster emergency in the State of New York due to the outbreak of COVID-19. On March 12, 2020, the Governor then issued Executive Order 202.1, which suspends the provisions of the Open Meetings Law to the extent necessary to permit a public body to meet and take authorized actions without permitting public in-person access to meetings. The Executive Order also authorizes meetings to be held remotely by conference call or similar service, provided that the public has the ability to view or listen to such proceeding and that the meetings are recorded and later transcribed.

Executive Order 202.1 was most recently extended by Executive Order 202.92 and is currently in effect until February 26, 2021. Accordingly, today’s regular meeting of the DASNY Board is being conducted telephonically and by video conference. Notice of today’s meeting has been posted prominently on DASNY’s public website and in the standard publicly accessible locations. An audio and video recording of today’s meeting will be accessible from DASNY’s website not later than two business days after the close of the meeting, and today’s proceedings will be transcribed and posted as soon thereafter as is reasonable and practicable under the circumstances.

Thank you, Mr. Chairman.

Chairman Carney: Thank you very much, Sara. Mr. President.

Reuben R. McDaniel, III, President and CEO: Thank you so much. What I will do very quickly is let everyone know who is on the call and I’ve got a couple of special introductions.

Board Members:

Alfonso L. Carney, Jr., Esq., Chair – Present
John B. Johnson, Jr., Vice Chair – Present
Beryl L. Snyder, J.D., Secretary – Present
Jonathan H. Gardner, Esq., Board Member – Present
Wellington Z. Chen, Board Member – Present (joined Meeting at 10:30 a.m.)
Joan M. Sullivan, Board Member – Present

Gerard Ronski, Esq., Board Member – Present
Janice McKinnie, Board Member – Present
Tracy Raleigh, Designated Representative of the Commissioner of Health, Board Member (*ex-officio*) – Present
Adrian Swierczewski, Designated Representative of the Director of the Budget, Board Member (*ex officio*) – Present
Phyllis Morris, Designated Representative of the Interim Commissioner of Education, Board Member (*ex officio*) – Present

From Staff, we have the following:

Reuben R. McDaniel, III, President and Chief Executive Officer
Paul G. Koopman, Vice President
Portia Lee, Managing Director, Public Finance and Portfolio Monitoring
Kimberly A. Ellis, Chief Financial Officer
Stephen D. Curro, Managing Director, Construction
Caroline V. Griffin, Chief of Staff
Ricardo Salaman, Esq., Deputy General Counsel
Kathy D. Ebert, Senior Director, Internal Audit
Sara Potter Richards, Esq., Managing Senior Director, Governance and Administration
Jeffrey R. Gordon, Senior Director, Communications and Marketing
Deborah K. Fasser, Director, Strategic Communications and Business Development
Matthew T. Bergin, Director, Public Finance
Michael L. Johnson, Director, Diversity, and Inclusion
Stanley Reed, Assistant Director, Investments
Steven Winters-Bona, Assistant Director, Financial Management
Dena T. Amodio, Esq., Assistant General Counsel
Brendan Wolf, Esq., Assistant General Counsel
Stephen Kosier, Senior Financial Analyst
Laura St. James, Senior Financial Analyst
Antoinette Tomlin, Senior Financial Analyst
Diane Felitte, Legal Assistant

Other guests include:

Christopher Reitzel, Esq., Nixon Peabody, LLP
Sani Williams, Esq, Bryant Rabbino, LLP
Seth Bryant, Esq., Bryant Rabbino, LLP
Dilshoda Kurbonova, Barclays Capital
Adam Giuliano, Kaplan Kirsh Rockwell
Yousef Salaam, Associate Director, Turner & Townsend
Steven Benson, Member of the Public

Mr. McDaniel: I've got a couple of special guests, Mr. Chairman. On Monday, we were talking with the Chairman about our first Resolution, and there are several Treasurers, who are Assistant Treasurers by function, but most of the Board Members have not met them and Al said that at a future Board Meeting we will want to introduce the folks. This is the future, so here we go.

Chairman Carney: All right.

Mr. McDaniel: Antoinette Tomlin.

Antoinette Tomlin, Senior Financial Analyst: Good morning Reuben. Good morning Mr. Chairman. Good morning everybody. My name is Antoinette Tomlin. I'm a Senior Financial Analyst in DASNY's Financial Management unit. We are responsible for managing DASNY's portion of New York State debt. Since I started over 24 years ago, DASNY has issued over \$134 billion in bond issues. Our unit reports on DASNY's outstanding bond portfolio for the annual audit, we also maintain updated reports on DASNY's outstanding bonds for all of our clients, including New York State Division of the Budget, Office of the New York State Comptroller, the public and our DASNY colleagues. Thank you.

Mr. McDaniel: Thank you Antoinette. Laura St James.

Laura St. James, Senior Financial Analyst: Good morning, everyone. I've been with DASNY for 13 years. I'm currently a Senior Financial Analyst in the debt side of the Financial Management unit. I've been in that position for almost six years and, along with Tonette and others in our group, I work on bond administration and issuing new debt for our clients.

Mr. McDaniel: Thank you Laura. Steve Winters-Bona.

Steven Winters-Bona, Assistant Director, Financial Management: Good morning Reuben. Good morning everyone, my name is Steven Winters-Bona, as Reuben said. I have had the pleasure to work with Antoinette, Laura, Stan and everyone else here at DASNY for just about 21 years. They are a wonderful group of professionals. I am the Assistant Director of Financial Management – Debt. They and I work on the administration of the bonds, including billing the debt service, doing the arbitrage calculations and basically, once Portia's group sells the bonds, we are married to our clients for at least 30 years, sometimes longer. Thank you, Reuben.

Mr. McDaniel: Thank you. Stanley Reed.

Stanley Reed, Assistant Director, Investments: Good morning, thank you for having me here today. My name is Stanley Reed and I currently serve as the Assistant Director of the Investments unit and as an Assistant Treasurer. I was hired in January of 2000 in the Financial Management unit and worked within that unit for about a year and a half. I then applied for a position in the Investments unit and I have worked in that unit for the last 19 and a half years, giving me a total of 21 years of service with DASNY. I'm currently being recognized for my 20 year milestone.

The Investment unit's main function is to direct the investment and liquidation of funds in accordance with the Investment Policy and Guidelines, and the underlying bond resolutions. We also move, coordinate and disburse funds with our corporate banking partner and the bond trustees. Thank you again.

Mr. McDaniel: Thank you Stan. Thank you everybody. So these are Assistant Treasurers who are by function part of the Resolution coming up next, so I wanted to have a chance to introduce you to the Board Members and appreciate you all being here today. So Mr. Chairman, it is back to you.

Ms. Richards: Excuse me for the interruption. I do just want to make sure that that we admit folks from the waiting room who are there, but first I'd like to just find out who they are. We have an Adam Giuliano. Could that be a bond counsel? Is anybody familiar with that person?

Okay, so we will let him in and ask him to identify himself and then with Deb's help we'll go through the others. Mr. Giuliano have you joined the meeting? We just admitted someone to the meeting that comes through as Adam Giuliano.

Adam Giuliano, Kaplan Kirsh Rockwell: Yes, that's correct.

Ms. Richards: Okay, thank you.

Mr. Giuliano: I understand this is a public meeting.

Mr. McDaniel: Since we're using Zoom we have everyone identify themselves. Glad to have you here.

Ms. Richards: Thank you for joining us, we just need to have the roll so that we do have accurate attendance, so thank you for doing that. And we had somebody join that's identified on our list with the last name Benson. Is that person with us today?

Steven Benson, Member of the Public: Yes, that's correct Steven Benson. Thank you.

Mr. McDaniel: Good morning Steven.

Ms. Richards: Deb Fasser, is there anyone else that I missed who has joined our meeting today or who has not otherwise been introduced by the President or myself?

Deborah Fasser, Director, Strategic Communications and Business Development: No, I think you've got everybody, Sara.

Ms. Richards: Okay, thank you. Mr. President, Mr. Chairman.

Chairman Carney: Thank you both very much. First of all, Mr. Giuliano and Mr. Benson, thank you for joining us today. It's good to have you with us. And to Mr. Reed, Ms. St. James, Ms.

Tomlin and Mr. Winters-Bona, I'm so pleased that you have taken the time to be with us, and that you have told us a bit about what you do. We see the Assistant Secretaries for any number of reasons, but we don't often get to see the Assistant Treasurers. It's good to have seen your faces now and to know what you do. Thank you so much for joining us.

I think we can now begin the meeting. The first order of business is the Election of Officers. It is the first Resolution of many in your book. And it is made necessary because Sarah Potter Richards, if the Resolution is approved, will be elected an Assistant Secretary. Just by way of background, Sara was with the legal staff, left the legal staff to take an assignment inside of DASNY, a terrific assignment, and has now rejoined in a new job, a new capacity. Sara, we are pleased to have you on this list. Are there any questions from the Members about any of the other officers? Hearing none, may I have a motion, please, to approve the Resolution?

Gerard Romski, Esq., Member: So moved.

Joan M. Sullivan, Member: Second.

Chairman Carney: Thank you so much. I'll do this the way I've been doing it, are there any objections to the approval of the Resolution? Hearing none, are there any abstentions to the approval of the Resolution? Hearing none, the motion is deemed approved unanimously, the Resolution is passed.

A RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (DASNY) REAFFIRMING AND ELECTING OFFICERS OF DASNY

Our second order of business is the Delegation of Authority behind tab two. You've all had a chance to read the Resolution, so you understand why we have it, why it's there. Are there any questions about it? Ricardo is with us. Hearing no questions, may I have a motion, please, to approve the Resolution?

Ms. Sullivan: So moved.

Beryl L. Snyder, J.D., Secretary: I'll second.

Chairman Carney: Joan, Beryl, thank you very much. Are there any objections to the approval of the Resolution? Hearing none, are there any abstentions? Hearing none, the motion is deemed approved unanimously, the Resolution is passed.

RESOLUTION RELATING TO THE DESIGNATION OF CERTAIN FUNCTIONS OF THE GENERAL COUNSEL

The third order of business, third item, is a transcript of the meeting of 9 December, you've all had a chance to read it. It's really very interesting, these transcripts, because they contain a great deal of information and I actually enjoy reading them because I talk a lot, so I get to see my name. I'm

sorry. You all had a chance to read the transcript, are there any corrections? Hearing none, may I have a motion to approve it?

Mr. Romski: So moved.

Ms. Snyder: Second.

Chairman Carney: Thank you very much. Are there any objections to the approval motion? Hearing none, are there any abstentions? Hearing none, the motion is deemed approved unanimously, the transcript is approved.

The fourth order of business is the Finance Committee Report. We have with us, on screen today, Chairman Romski.

Mr. Romski: Thank you, Mr. Chair. The Finance Committee meet yesterday by way of Zoom. After adopting the meeting minutes from the last Finance Committee meeting, which was in November of 2020, we advanced to discuss the PIT/Sales Tax bond financing that is on today's Agenda. After some discussion, we voted to recommend that it be adopted at today's full Board meeting. We then advanced to the BOCES St. Lawrence-Lewis County offering and again we voted unanimously to recommend approval of that offering at today's full Board meeting. Unless anyone has any questions or concerns, that concludes my report, Mr. Chair, thank you.

Chairman Carney: Thank you very much, Gerry. Are there any questions for Gerry? Hearing none, we will move on to the President's presentation of Single Approval Financings. Mr. President.

Mr. McDaniel: Behind tab five is the State Personal Income Tax / Sales Tax Revenue Bond Program Transaction Summary. We have Matt Bergin of DASNY, Chris Reitzel of Nixon Peabody and Sani Williams of Bryant Rabbino who will present this transaction.

Chairman Carney: Chris, Sani, thank you very much for being with us.

Sani Williams, Esq., Bryant Rabbino LLP: Thank you, Chairman Carney. Pleasure.

Chairman Carney: The pleasure is ours.

Matthew T. Bergin, Director, Public Finance: Thank you, Mr. President, and good morning everyone. The Board is being asked to authorize the issuance of multiple series of tax-exempt and/or taxable, fixed and/or variable rate bonds issued at one or more times with a term of 30 years in an amount not to exceed \$2.75 billion. The authorization provides that the issuance could be done under either the Sales Tax Revenue Bond Program and/or the Personal Income Tax Revenue Bond Program, although the current plan is to issue under the Personal Income Tax Revenue Bond Program.

The Bonds are being issued for new money and refunding purposes. The new money portion is estimated at approximately \$1.2 billion and includes capital projects for OMH, OPWDD and OASAS; capital projects for Upstate Community Colleges; capital projects for the Division of Homeland Security and Emergency Services; funding for various SUNY 2020 Challenge grants; funding for various capital projects for the Office of General Services; funding for Lake Ontario flooding and erosion projects; funding for various Arts and Cultural projects; funding for various capital projects under the Consolidated Local Street and Highway Improvement Program – otherwise known as CHIPS; funding for various environmental initiatives; funding for State and Municipal Facilities grants – otherwise known as SAM grants; funding for Economic Development projects and/or grants; funding for health care grants; and funding for various education programs. I did want to make note that the Division of the Budget provides these programmatic budgets and, as much of this is reimbursement, the agencies certify that the dollars have been spent appropriately.

In addition to the new money, this authorization also looks to cover the refunding of certain bonds issued under various State supported debt programs in the amount of approximately \$1.49 billion. Also, as noted in the Staff Report, the fiscal year 2021 enacted budget suspended the Debt Reform Act of 2000 for fiscal year 2021 issuances, including this one, as part of the response to the COVID-19 pandemic. Any borrowings initiated in fiscal year 2021 are not limit to capital purposes and are not counted towards the statutory caps on debt outstanding and debt service.

In looking at the security provisions for the Personal Income Tax Revenue Bond Program, Bonds will be paid by the semi-annual payments made pursuant to the Financing Agreement between DASNY and the State. The Bonds are secured by a set aside of 50% of personal income tax revenues collected pursuant to statute and 50% of the receipts of the employer compensation expense tax, with both taxes deposited in the Revenue Bond Tax Fund. Also to note, the debt service coverage ratio on all outstanding State Personal Income Tax bonds was 6.8 times as of March 31, 2020 and for March 31, 2021 the debt service coverage ratio is projected to be 6.0 times. Finally, the proposed Bonds are expected to be rated Aa2/AA+/AA+.

Mr. Chairman, I would now like to give the presentation over to Chris Reitzel and Sani Williams.

Chairman Carney: Chris, I said hello to Sani, I didn't see you, you didn't appear on the screen. It's good to have you.

Christopher Reitzel, Esq., Nixon Peabody: Good morning, everyone. It's nice to see some faces these days, it's a treat. Before you for consideration is the adoption of two Supplemental Resolutions: one under the Personal Income Tax Revenue Bond Program, and the other under the State Sales Tax Revenue Bond Program. Each Supplemental Resolution authorizes, individually and in the aggregate, the issuance of up to \$2.75 billion of 2021 Bonds. In order to provide maximum flexibility, it is proposed that the Board authorize the issuance of bonds under both the General Purpose PIT Bond Resolution and the Sales Tax Bond Resolution.

The 2021 Bonds are expected to be issued to finance the projects identified in our Board Letter and that Matt just went through, but may be issued for any authorized purpose. In addition, the 2021 Bonds are expected to refund certain outstanding State-supported bonds. Each Supplemental Resolution permits 2021 Bonds to be issued in one or more series or subseries, at one more or times, and to be sold on a negotiated basis or through competitive bidding. In addition, all or a portion of the 2021 Bonds may be issued as tax-exempt bonds and/or federally taxable bonds. It is currently expected that the 2021 Bonds will be issued under the PIT Program, as fixed rate tax-exempt and federally taxable bonds, and sold on a negotiated basis with Morgan Stanley serving as lead underwriter.

Each Supplemental Resolution provides for an authorized officer of the Authority to execute and deliver one or more supplements to the related Financing Agreement to reflect any additional issuance under that program. In addition, each Supplemental Resolution delegates to various officers of the Authority the power to make the determinations described in our Board letter and to do all things necessary or convenient in connection with the sale and issuance of the 2021 Bonds. I'll turn it over to Sani to discuss the programs in a little more detail.

Chairman Carney: Thank you, Chris.

Mr. Williams: Thank you Chris. Good morning everyone. It's a real pleasure to be with you all again. As Chris said I'm going to give you a brief overview of the Personal Income Tax Revenue Bond Program and the State Sales Tax Revenue Bond Program.

So, with regards to the Personal Income Tax Revenue Bond Program Article 5-C of the State Finance Law authorizes the Authority and certain other authorized issuers to issue PIT Bonds for any authorized purpose. All PIT Bonds issued under the General Purpose PIT Bond Resolution are special obligations of the Authority secured by payments to be received by the Authority under the PIT Financing Agreement with DOB. The PIT Financing Agreement obligates the State to pay debt service on outstanding PIT Bonds, notes and other obligations. Those payments are made from amounts available in the Revenue Bond Tax Fund, established by State Finance Law, and are subject to annual appropriation. The Revenue Bond Tax Fund receives a statutorily allocated portion of the State's personal income tax receipts and a statutorily allocated portion of the employer compensation expense program receipts.

With regards to the Sales Tax Program, Article 5-F of the New York State Finance Law authorizes the Authority and certain other authorized issuers to issue State Sales Tax Bonds for any of the purposes for which State-supported debt may or has been issued. All Sales Tax Bonds issued under the Sales Tax Bond Resolution are special obligations of the Authority, secured by payments to be received by the Authority under the Sales Tax Financing Agreement with DOB. The Sales Tax Financing Agreement obligates the State to pay debt service on all outstanding Sales Tax Bonds issued under the Sales Tax Bond Resolution. Those payments are made from amounts available in the Sales Tax Revenue Bond Tax Fund established by State Finance Law, subject to appropriation. The Sales Tax Revenue Bond Tax Fund - say that 10 times fast - receives a statutorily allocated percentage of revenues collected from the State's sales and compensating use taxes.

That concludes our formal presentation, but we're happy to answer any questions that the Board may have. Thanks very much.

Chairman Carney: Thank you Sani. Do the Members have questions for Sani or Chris or for Matt?

Mr. Romski: I had a quick question. After yesterday's meeting, I got one of these newsletters from the Comptroller's Office and there was a report that the State sales tax revenues were down 10% compared from 2019 to 2020, generally pointing out the fact that sales of various commodities in New York City have gone down dramatically and had an impact. I don't think that has an impact on anything but, since it came up after the Finance Committee meeting, I just thought I would make sure that was addressed. Maybe Joan has something else on it, more than I, but I just thought it would be appropriate to mention.

Chairman Carney: Thank you.

Mr. McDaniel: Matt, do you want to say something about the sales tax and personal income tax, please?

Chairman Carney: I'd love, Matt, for you to address what Gerry's raised. I don't think this poses any issues or even concerns for the proposal on the table now. I don't think that article yesterday will affect this at all, but I'm just curious to know – is it the Department of the Budget that does the analysis to make sure that the revenues are sufficient for us to continue to issue PIT and Sale Tax bonds?

Mr. Bergin: That's correct. And just to address Gerry's question, fiscal year 2020, the resulting debt service coverage ratio for sales tax was 2.7 times. The most recent projection for March 31, 2021 is a coverage ratio of 2.4 times, so that does encapsulate the decrease in the projected sales tax receipts.

Chairman Carney: Okay.

Mr. Romski: Again, I didn't think it was of impact, I just thought it just should be mentioned, Mr. Chair, because it seems significant.

Jonathan H. Gardner, Esq., Member: I had a similar reaction to Gerry's. We're seeing various reports in the media about the deterioration of the State's finances generally. I would ask – we periodically would get a report from the Director of the Budget – I would love to have one of those just to update us on where we stand vis a vis the last time we heard from him.

Chairman Carney: Jon, thank you for the question.

Ms. Snyder: I also have a related question. In the past there have been various mixes between personal income tax and sales tax, where the revenue comes from. So are we anticipating a significant decline in the personal income tax aspect of these as well? Our ratings are still the same on the bonds, is that correct? Do we have any expectations on people's appetite to buy it?

Mr. Bergin: The market is very accepting of the PIT credit, we certainly had a very successful competitive sale in the fall. I would assume and certainly say that the market is going to be very accepting of this upcoming bond sale.

Mr. McDaniel: I'll say two things. One is, on the PIT coverage, it is higher than the Sales Tax coverage so, given how this security structure works, these bonds should maintain their rating and continue to have a very strong market. The second thing is, just from a market perspective, and I'm sure Portia and Matt will get into this later, there has been great receptivity to tax-exempt bonds generally in the market and certainly higher rated credits specifically. Narrowing down even more, not only did our last PIT competitive deal go well, but there have been several New York City transactions since then that have also gone well, so we have no question there's plenty of demand in the marketplace for these bonds.

Chairman Carney: Terrific. I'd like to join Jon Gardner in his request that we receive periodic reports from the Division of the Budget, as we look at declining sales tax revenues and as we may be looking at declining personal income tax revenues. I don't know that that's the case, but it has certainly been suggested in the press. Given the coverage ratios that exists now, and the projected coverage ratios, as Matt has just emphasized, I don't think that that will affect where we are now and certainly won't affect any of the bonds we have already issued. But it would be great to know that we're going to get that periodic report. It's great idea, Jon, thank you. I think you all bring us a periodic report from Budget, but I'd like to make sure that the sales tax revenues and the personal income tax revenues are emphasized. I saw the article that Gerry mentioned, and it raises some concerns.

Mr. McDaniel: Mr. Chairman, I don't want to commit any of our non-DASNY staff people in the State to do anything. However, we will request from DOB that at our March 31 Board meeting, not the next one, we have some presentation that includes both the projections for the State, but also at that time, we should have more information on the State's budget that the Legislature and the Governor have agreed to, and so that's probably the most informative time. March 3 may be a little early to get those updates on where we are from a budget perspective. So let's just plan before we request your approval for the DASNY budget on March 31, we will create some type of report, hopefully with some folks from DOB involved, that will give us an update on both the State's revenue projections as well as a summary of the budget. I think that would be helpful for the Board.

Chairman Carney: I think that's right, Reuben, and nobody's going to hold you to the end of March meeting, either. Whenever you believe we've got sufficient information to present to the Board, do it then, it's fine. If it's April, it's okay.

I have a question for Matt. Matt, I think you actually answered this question in the Finance Committee meeting yesterday. The question is a simple one. The budgets for the 14 or 15 programs, whether they be for reimbursement or specific projects, are projections. If something goes over the projected budget, I assume that means that another project or a planned reimbursement will somehow have to be less than the projected budget, and that the Division of the Budget reviews that and makes those decisions. Is that correct?

Mr. Bergin: That could happen, Al. All but the CHIPS, the Consolidated Local Street and Highway Improvement Program, are reimbursements. So, if your question is specific to CHIPS, if the projected amount is less, we could either issue less or, as our authorization provides for any authorized purpose, we could pick up an additional purpose. I hope that answers your question.

Chairman Carney: It does, and I think you answered it in the Finance Committee meeting yesterday. I just wasn't sure, and I thought it would be good to get that into the record today. Are there any other questions for Matt or for Chris or for Sani? Hearing none, may I have a motion, please, to approve the financing?

Adrian Swierczewski, Designated Representative of the Director of the Budget, Member: So moved.

Chairman Carney: Thank you Adrian. Second?

Ms. Snyder: I'll second.

Chairman Carney: Beryl, thank you very much. Are there any objections to the motion as offered? Hearing none, are there any abstentions from the vote? Hearing none, the motion is deemed passed unanimously and the financing is approved.

DORMITORY AUTHORITY OF THE STATE OF NEW YORK SUPPLEMENTAL
RESOLUTION 2021-1 AUTHORIZING STATE PERSONAL INCOME TAX REVENUE
BONDS (GENERAL PURPOSE)

DORMITORY AUTHORITY OF THE STATE OF NEW YORK SUPPLEMENTAL
RESOLUTION 2021-1 AUTHORIZING STATE SALES TAX REVENUE BONDS

Chairman Carney: Mr. President.

Ms. Richards: At this point, we have had another individual join us in the waiting room, so if we could pause a moment, we'll have Deb Fasser let them in and ask that individual to identify themselves.

Chairman Carney: Thank you, Sara.

Ms. Richards: Hello, a person by the name of Yousef has joined our meeting, if you could please identify yourself for the record, as we do need to have that since we are participating in a Zoom meeting today. Would the person who just joined the meeting from the waiting room, please identify themselves for purposes of the record?

Janice McKinnie, Member: It looks like they might still be connecting.

Ms. Richards: I don't see that on my screen, so thank you for that information.

Ms. McKinnie: No problem. You're welcome.

Mr. McDaniel: They're still trying to connect. Let's move on to the next item.

Chairman Carney: Mr. President, we're at tab six.

Mr. McDaniel: Behind tab six is the Master BOCES Program Lease Revenue Bond St. Lawrence-Lewis issue Transaction Summary. Stephen Kosier of DASNY and Seth Bryant of Bryant Rabbino will be presenting. Steve and Seth.

Stephen J. Kosier, Senior Financial Analyst: Good morning, nice to see you all. Staff is requesting the Board adopt the necessary documents for a bond financing in an amount not to exceed \$4.2 million on behalf of St. Lawrence-Lewis Counties BOCES to current refund the St. Lawrence-Lewis Counties BOCES Series 2011 bonds.

The ability to create a BOCES or Board of Cooperative Educational Services was established in 1948 and was designed to enable school districts to combine their resources to provide services that otherwise would have been uneconomical, inefficient, or unavailable. St. Lawrence-Lewis Counties BOCES was established in 1970 and provides shared services to 18 component school districts in St. Lawrence and Lewis Counties, that together serve approximately 20,000 students. The component districts cover over 2,500 square miles and the BOCES administration offices are located in the Village of Canton. DASNY has issued five series of bonds on behalf of this BOCES, totaling approximately \$63.8 million. As of December 31, 2020, four series of bonds totaling approximately \$47.4 million remain outstanding: the Series 2011, Series 2015, Series 2020A and Series 2020B bonds.

BOCES are funded by payments made to them by the component school districts based on their allocable share of program services and administrative and facilities expenses. The component school districts pay for these expenses through real property tax levies. In addition, the State has made appropriations to the BOCES program each year since 1949 to partially offset these expenses. The amount of State aid apportioned to St. Lawrence-Lewis Counties BOCES is available to be applied to pay the DASNY rentals, or debt service.

The refunding is anticipated to be financed through a fixed-rate, tax-exempt negotiated bond sale. The refunding of the Series 2011 bonds is estimated to result in net present value savings of

approximately \$486,000 or 11.6% of the bonds being refunded. The bonds are expected to be rated Aa3 by Moody's. The Bonds will be secured by annual rental payments to be made pursuant to a Lease Agreement with St. Lawrence-Lewis Counties BOCES; a direct intercept, through the State Comptroller, of any State Aid due to St. Lawrence-Lewis Counties BOCES for rental payments on the DASNY Lease Agreement; a pledge of public funds apportioned by the State due to St. Lawrence-Lewis Counties BOCES in an amount sufficient to pay such rental payments, subordinate to pledges granted in connection with other outstanding DASNY St. Lawrence-Lewis Counties BOCES bonds; and a one-half year debt service reserve fund or reserve fund facility. Bond insurance may be considered depending on its availability and economic efficiency. Now I'll turn it over to Seth to provide an overview of the financing documents.

Seth Bryant, Esq., Bryant Rabbino, LLP: Thank you, Steve and thank you Mr. Chairman. Today, the Members of DASNY are being asked to consider and, in the Board's discretion, to adopt a Series Resolution for up to \$4,200,000 in the aggregate of Master BOCES Program Lease Refunding Revenue Bonds (St. Lawrence-Lewis Issue), Series 2021, which if adopted would be issued on behalf of the Board of Cooperative Educational Services for the Sole Supervisory District of St. Lawrence-Lewis Counties under DASNY's Master BOCES Program Lease Revenue Bond Resolution. The Series 2021 Bonds will be issued within 90 days of the maturity date¹ of the Series 2011 Bonds being refinanced with the proceeds of the Series 2021 Bonds, which refunding will be a current refunding. The Series 2021 Bonds are proposed to be sold to Roosevelt & Cross pursuant to a standard Bond Purchase Agreement. If approved, the Series 2021 Resolution authorizes bonds to: (i) finance or refinance the acquisition, renovation, and/or equipping of certain facilities of SLL BOCES, which were originally financed by the Master BOCES Program Lease Revenue Bonds, Series 2011; (ii) fund the Debt Service Reserve Fund and/or pay the cost of acquiring a reserve fund facility with respect to such Series 2021 Bonds, (iii) pay the costs of a policy of municipal bond insurance, if any, with respect to such Series 2021 Bonds, and (iv) pay all or a portion of the costs of issuance of such Series 2021 Bonds.

Under Section 1689 of the Dormitory Authority Act, DASNY is permitted to enter into the Amended and Restated Agreement of Lease and the Amended and Restated Lease and Agreement with the SLL BOCES with respect to the Series 2021 Bonds and the specific facilities financed thereby, which Amended and Restated Agreement of Lease and Amended and Restated Lease and Agreement amend and restate similar instruments initially entered into with respect to the Series 2011 Bonds. Pursuant to the Amended and Restated Agreement of Lease, SLL BOCES will lease such facility to DASNY for nominal rent. DASNY will then lease such facility back to SLL BOCES pursuant to the Amended and Restated Lease and Agreement.

Under the Act and under a Memorandum of Understanding, to be entered into among DASNY, the New York State Education Department and the Office of the State Comptroller, DASNY shall file a certificate annually with the Commissioner of Education stating all amounts due from the BOCES to DASNY under the Amended and Restated Lease and Agreement previously described. Upon receipt of a certification from the Commissioner of Education, the State Comptroller is

¹ The "call date" was intended to be referenced

required to deduct the amount certified by the Commissioner as due to DASNY from the State aid otherwise payable to the BOCES and pay that amount directly to DASNY. If the State aid is insufficient, the BOCES will remain obligated under the Amended and Restated Lease and Agreement to pay rent in an amount sufficient to meet debt service requirements of the Series 2021 Bonds.

In conclusion, the Series 2021 Bonds will be special obligations of DASNY, payable solely out of the Revenues and the moneys and investments held in the funds and accounts established by the Series 2021 Resolution other than any moneys and investments held in the arbitrage rebate fund. Payment of the respective series of Series 2021 Bonds is secured by the pledge and assignment made by the General Resolution of the Revenues, certain moneys and investments, including a Debt Service Reserve Fund held under the General Resolution and DASNY's right thereto. If there are any questions by the Members of DASNY I'd be happy to answer them. That concludes my presentation.

Chairman Carney: Thank you Seth and Steve. Are there questions?

Ms. Richards: Mr. Chairman, I did mute Yousef who has joined us and does have the ability to speak now, so I would just ask that he unmute himself and just for our record please identify yourself, so we can note it in the transcript as required.

Yousef Salaam, Associate Director, Turner & Townsend: Hello, good morning.

Chairman Carney: Good morning.

Mr. Salaam: Can you hear me.

Ms. Richards: Would you state your first and last name for the record, please? We are conducting this meeting, as you know, by Zoom so we do need to maintain a list of the participants in this public meeting.

Mr. Salaam: Yes, I'd be more than happy to, my name is Yousef Salaam I am an Associate Director at Turner & Townsend.

Ms. Richards: Very good, thank you.

Chairman Carney: Thank you, Yousef.

Are there questions for Seth or Stephen? There being none, may I have a motion, please, to approve the transaction, as it was presented?

Mr. Romski: Sure, Al.

Chairman Carney: Thank you very much. Is there a second?

Ms. Snyder: I'll second.

Chairman Carney: Beryl, thank you very much. Are there any objections to the motion as offered? Hearing none, are there any abstentions from the motion as offered? Hearing none, the motion is deemed passed unanimously and the transaction is approved.

DORMITORY AUTHORITY OF THE STATE OF NEW YORK SERIES RESOLUTION
AUTHORIZING UP TO \$4,200,000 MASTER BOCES PROGRAM LEASE REFUNDING
REVENUE BONDS (ST. LAWRENCE-LEWIS ISSUE) SERIES 2021

Thank you all very much. Mr. President, we are at tab seven, I think, which is your presentation.

Mr. McDaniel: Thank you, Mr. Chairman, we have quite a bit to cover and a few Resolutions along the way. But first I want to recognize that it is February, and for people like Gerry Romski who measure life by in-person DASNY Board meetings, this was our second-to-last in-person Board meeting in 2020. You may recall last year, we celebrated Black History Month with a note and I have something else for us today.

On June 16, 1961 in Albany, more than 1,000 people packed Wilborn Temple's pews, crammed the balcony and vestibules, sat on the floor and waited outside, waiting to hear a 32-year-old African-American preacher from Atlanta. One of those who arrived early for King's Friday night speech was 26-year-old Solomon Dees, one of nine children raised on his family's 80-acre cotton farm in Alabama.

"I remember it was so jampacked there was no place to put anyone else," said Dees, who became pastor of Wilborn Temple in 2007 after serving as deacon, assistant pastor and chairman of the board of trustees. "It was something to witness, I'll tell you," he said. "Rev. King was a great orator, even though he was young and not yet very well known outside the South at that point. He had a drive and a presence that was different from other preachers I'd heard," said Dees, who is now 80. He worries that the message of King is being forgotten by younger generations.

"I talk to young people about the civil rights movement and it's all kind of foreign to them," he said. Dees recounted an incident in 1962 when his wife, Nora, was shot as she walked near her home on Clinton Avenue by a man who lived across the street. The bullet narrowly missed her vital organs and she was not seriously injured. "I wanted to shoot a black person," the shooter said at his trial, in which he was found guilty and sentenced to prison.

The Dees have a niece who works for DASNY and that niece is Jezette Nelson.

Chairman Carney: That's terrific. Mr. President, thank you very much for reminding us of the importance of our history, as well as the importance of Black History Month. I appreciate you telling us the story and appreciate the significance of the story, and I hope everybody else on this call recognizes the importance of this part of our history.

Mr. Romski: There was a wonderful article in yesterday's New York Times on Rosa Parks. It was really very insightful, I recommend it to anybody who didn't have the opportunity to read it.

Kimberly Ellis, Chief Financial Officer and Treasurer: Mr. President, I just want to chime in to say that Solomon Dees is my uncle as well. His wife was Jezette's aunt and he's my mother's brother.

Mr. McDaniel: So fascinating. Shows how small Albany is.

Chairman Carney: Kimberly, thank you for letting us know that. Again, these relationships are important historically and they're important going forward and Mr. President, again, thank you for taking the time to tell us that story. It is one that I did not know, but I know it now.

Mr. McDaniel: In my written report we outline the 2022 Executive Budget proposals. I will not read that to you, but I did want to highlight one of the proposals that could, if passed, significantly impact DASNY's potential customer base. And that is the authority for DASNY to both issue bonds on behalf of, as well as provide construction services for, not-for-profits and school districts throughout the State. We believe that this would be significant for us. In addition to that, for not-for-profits during the COVID period, we would also be able to help finance working capital for these entities.

We have developed inside of DASNY two working groups. One is looking at the implications and policy matters around the financing side, so that when we have people calling, we will know how to accept those calls, how to route those calls, and what information to give as we develop programs to be able to assist in that component. The second is in the Construction Division, we have put together a working group to look at who are targets for us so that we may expand some of our business. The construction side of the legislation has a minimum of a \$5 million capital project, which is still relatively small in the scheme of what DASNY completes. But we are working very diligently over the next 60 days to make sure that if and when this is passed, we are prepared. We're very excited about this as an opportunity to expand our business and expand our authority, however, we're also cautious about what this expanded authority means if we don't get it right when people begin to ask us for programmatic details. We're spending a lot of time on that. Any other questions on the budget, or that specific topic?

Chairman Carney: Reuben, I did have one question. It's on the second page of your presentation and it is a budget question. First of all, I didn't know that ESD was actually the Urban Development Corporation. I didn't know that, and I gather that that's its formal name. The end of that paragraph speaks to the possibility of issuing up to \$8 billion in short-term borrowings and up to \$3 billion of credit facilities. Is this a second \$11 billion proposal, in addition to the one that we've already met?

Mr. McDaniel: That's an excellent question. Mr. Chairman. This is an extension of the first. So as you'll recall, we did a \$3 billion credit facility; the State has not drawn on that credit facility.

This allows us to either continue that facility or to re-up if we decide not to take it. We also, as everyone knows, issued short term notes. It is expected now that those notes will be paid off out of cash flow, but the Division of the Budget wants to maintain flexibility given the uncertainty around federal programs. So it is not an additional \$11 billion, it is a continuation of the \$11 billion authority we had last time.

Chairman Carney: Thank you very much. Does anybody else have questions on the budget matters? Hearing none, Mr. President please continue.

Mr. McDaniel: Thank you. So next – this is always a fun – we have our Recognition of Service Resolutions. At this time of year we typically would be organizing an in-person celebration of retirements, as well as years of service. Clearly, with the current environment, we won't do that in-person this month. The Chair and I went back and forth on whether we should try some type of a Zoom presentation like we did for our holiday party. The Chair was so correct – you retire once, we have holiday parties each year – so we decided instead of having a Zoom meeting, what we would do is, the first time we are able to get back in-person, whether that's in the office or in some type of an outdoor activity later this summer, we will do a recognition of service celebration in both Albany in New York. But in the meantime, we wanted to pass this Resolution and we will be sending each of the retirees a letter recognizing their service, a copy of the Resolution, as well as a certificate. We're looking forward to that.

Also, as we all know, Mike Cusack has moved on to another position. We have a very nice Resolution in the packet for Mike Cusack, who served as General Counsel at DASNY for eight years. So Mr. Chairman, I'll turn it over you to handle those two Resolutions.

Chairman Carney: And I'll handle them in that order. First, the Resolution of the Dormitory Authority Recognizing with Appreciation the Service of the 2020 Retirees. It's a short Resolution, I assume everybody has had a chance to read it, are there any suggestions for revision? Hearing none, may I have a motion, please, to approve that Resolution?

Ms. Sullivan: I'll make the motion.

Chairman Carney: Thank you, Joan. Is there a second?

Ms. Snyder: I'll make it.

Chairman Carney: Thank you very much Beryl. Are there any objections to the motion as presented? Are there any abstentions from the vote for the motion, as presented? Hearing none. the motion is deemed passed unanimously and that Resolution is adopted.

A RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK
(DASNY) RECOGNIZING WITH APPRECIATION THE SERVICE OF THE 2020 RETIREES

On to the next Resolution acknowledging with appreciation the service of Mike Cusack. As is my habit, I'm going to read a couple of paragraphs – well actually, more than two – from this Resolution because I believe that Mike Cusack's service to DASNY was exemplary in many respects, and I know how hard he worked in his job.

“WHEREAS, Michael E. Cusack joined DASNY on March 4, 2013 as General Counsel in DASNY's Office of General Counsel; and

WHEREAS, throughout his nearly eight-year tenure at DASNY, Mr. Cusack was a trusted advisor to DASNY's Board, Executive Leadership and staff while being an invaluable resource to DASNY's clients and stakeholders; and

WHEREAS, Mr. Cusack has provided invaluable legal advice with respect to the issuance of \$59.4 billion of DASNY bonds and more than \$6.5 billion in construction expenditures on behalf of our clients; and

WHEREAS, Mr. Cusack established new protocols within the construction division which resulted in a significant reduction of grievances, investigations and legal actions, substantially improving DASNY's construction litigation risk profile....

NOW, THEREFORE, BE IT RESOLVED that DASNY's Board pauses to reflect and appreciate the dedication, commitment, leadership, integrity, and management skills Mr. Cusack brought to DASNY during his tenure.”

And of course, we wish him all the best. Are there any proposed changes for this Resolution? Hearing none, I have one and I overlooked it and I apologize to the staff. In the last “Whereas clause” in the last line, which begins “fairness, equity, and inclusion in New York State contracting opportunities,” there should be a full stop there with a period and the “and” should be deleted. With that minor change, I would ask for a motion to approve the Resolution.

Ms. Sullivan: I make the motion.

Chairman Carney: Thank you, Joan. Second?

Mr. Gardner: I second.

Chairman Carney: Thank you very much Jon. Are there any objections to the motion? Are there any abstentions from the vote? Hearing none, the motion is passed unanimously, and the Resolution is adopted.

A RESOLUTION OF THE MEMBERS OF THE BOARD OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (DASNY) ACKNOWLEDGING WITH APPRECIATION THE SERVICE OF MICHAEL E. CUSACK

Mr. President.

Mr. McDaniel: Thank you very much. Our next item of business in my report is a Project Labor Agreement for Western New York Children's Psychiatric Center, and Brendan Wolf will be presenting this.

Brendan Wolf, Assistant General Counsel: Thank you, Mr. President. For your consideration today is a Resolution authorizing DASNY to include compliance with a Project Labor Agreement as a requirement in the project bidding documents in connection with a project at the Western New York Children's Psychiatric Center in West Seneca. This project includes a new addition as well as renovations of the existing facility. It also includes a new secure outdoor recreation area.

You may recall that at the October Board meeting, a similar request was made of the Board with respect to use of a PLA (Project Labor Agreement) for a project at the Central New York Psychiatric Center. The PLA before you today contains the same relevant provisions, including covered parties, MWBE and SDVOB goals and bring-along rules, and dispute resolution procedures. Additionally, a PLA feasibility study was conducted to ensure compliance with the New York State Labor Law and to demonstrate that the use of a PLA is beneficial to the State's interest.

I am happy to answer any questions, but in the meantime, I know that DASNY and the Office of Mental Health are excited to get started on this project, with a projection that DASNY will advertise for bidders in April 2021. Thank you.

Mr. Gardner: Question. I saw a reference to Wicks Law in the in the Board package, does this affect a compliance with Wicks Law?

Mr. Wolf: So, to answer your question, yes, Mr. Gardner. One of the benefits to entering into a PLA from DASNY's perspective is that it allows us to essentially bypass Wicks Law. As you know, Wicks Law is a requirement that any projects above a certain threshold – in upstate New York it's \$500,000 – the specification packages, the trades, have to be bid separately, so you have electrical, plumbing, HVAC and general construction. Because we are entering into a PLA, Section 222 of the Labor Law in New York permits DASNY to advertise for one construction contract. That general contractor, or prime contractor, who is the low bidder will then bid out those trades separately. The benefit to DASNY, obviously, is that it cuts down on coordination issues. It puts the burden of coordinating this project and coordinating the trades solely on the prime contractor and it keeps DASNY out of that.

Mr. Gardner: Are we in a unique position to take advantage of this exception to Wicks Law?

Mr. Wolf: We are not in a unique position; there are other State agencies and authorities who are in the same position that we're in. I will say this, though: most of DASNY's work actually operates within the confines of a Project Labor Agreement. As you're aware, the majority of our work takes place downstate within the five boroughs. We do have, and I know it was presented the Board last

year, a PLA that we negotiated with the New York City Building Construction Trades Council. That's a PLA that that governs all projects within the five boroughs. Upstate we don't have that that same latitude, so we have to go project by project.

Mr. Gardner: I saw the long list of labor organizations on the contract. How did you manage that? That is impressive. Can you tell us a little bit about that?

Mr. Wolf: I would like to take the credit for that, but I can't.

Mr. Romski: Take the credit, they'll blame you if it's not working.

Mr. Wolf: That's true. Well I'd rather deflect the blame on to the Building Construction Trades Council. We worked with – and it was myself, I can't take all the credit, Steve Curro was very helpful in this regard, and Michael Clay – the Western New York Building and Construction Trades Council, which is essentially a trades group who has the contacts and the relationships with the various labor unions in that jurisdiction, in this case it's Western New York. So we were able to negotiate the PLA with them, they then go back to each of the trades and say review and if you're amenable to this please sign. They all signed, we didn't get any pushback.

Mr. Gardner: That's fascinating.

Chairman Carney: Yes, it is, Great question. And by the way, Brendan, if you're going to call Jon "Mr. Gardner," we're going to insist that he call you "Mr. Wolf."

Mr. Gardner: I'm happy to do that.

Mr. Wolf: I'm not used to being called Mr. Wolf, but I do appreciate it. So, "Jon" from here on out because I prefer to be called "Brendan."

Chairman Carney: Are there any other questions for Brendan?

Mr. Gardner: Is there any possibility or likelihood that this Agreement would be announced publicly? Is this possibly going to be in the press?

Mr. Wolf: I think it's unlikely that this ends up in the press. I suppose it's more likely that the project itself may end up in local media out in western New York. Whether the reporter or the media picks up on the fact that it is subject to a Project Labor Agreement or even knows what that means for a story, I don't know. But to answer your question, I don't think that this has the same public interest as maybe the DASNY New York City PLA, which really controls billions of dollars of construction.

Mr. Gardner: You never know. Is there a ballpark estimate – really, a ballpark – of what sort of cost savings this Project Labor Agreement could bring us, or bring the project?

Mr. Wolf: I don't have a ballpark cost savings estimate. We did have a feasibility study completed by Liro, who is one of our consultants. I don't believe they identified a precise figure, but they did conclude that there will be savings. The other benefit to entering into a PLA is, because it standardizes all of the collective bargaining provisions that are applicable to this particular project, it ensures that there are no labor stoppages. So again, tough to predict, simply because if there were a labor stoppage the cost to DASNY, the cost to the Office of Mental Health, the cost to the State, may be immeasurable, whereas now we have a guarantee that's not going to happen.

Mr. Gardner: I have occasionally read that Wicks Law costs every public project in New York State about a third more than it should.

Mr. Wolf: That may be. If you go online – and I've done this many times, because it's my business – and simply Google Wick Law New York, you can find countless articles that really advocate on both sides of that debate, but I tend to fall in line with what you're suggesting, Jon. Certainly for DASNY, having to comply with Wicks Law is a burden. Trade contractors may argue that they're not privy to the same opportunities under PLAs as they are under Wicks Law because they're not bidding directly but, ultimately, the work is there, whether they're holding the prime contract or they're holding a significant subcontract.

Mr. Gardner: And I'll say this again, I know everyone's heard me say it and they're sick of it. But it has always seemed to me that DASNY should have an exception from Wicks Law, because we have so much internal control that we are able to prevent and identify the abuses that Wicks Law was intended to prevent and identify. And so bringing an agency like DASNY into the picture, with all of its internal controls, is something that I think we should be advertising. To me, and I don't want to belabor this, but this is the kind of agreement that I would think we can brag about. When you bring DASNY to the table, we can do things like this, we can save the public money, we can prevent work stoppages, we can have other benefits like that.

Mr. Wolf: I agree with you, and I think that the fact that we are here before the Board for the second time in, I think, four months, with one of these project-specific PLAs, is a testament to what we are doing, in particular what we're doing upstate. Perhaps the day may come when you'll see your item added to a legislative agenda; certainly it's worth considering.

Mr. Gardner: I'll make one last comment. When the project is underway and things are happening, I would love to see us do a press release talking about our involvement in it, and our unique agreement in connection with this project. If we do anything like that please give Janice and I a "heads up," because we'll get a phone call, and I would love to have a couple of bullet points to throw into that conversation about what this does for the project, the cooperation of the unions, and the fact that when you bring DASNY into a project, you get this kind of treatment.

Mr. McDaniel: Thank you, Brendan, appreciate it. Thank you.

Mr. Wolf: I'll make sure you're prepared, Jon.

Mr. Gardner: Thank you.

Chairman Carney: There is a Resolution, it is immediately behind the Salaman and Wolf Memorandum, immediately in front of the draft MOU. I hope you've had a chance to take a look at it, because I'm about to ask whether or not there are any changes recommended for it. Hearing none, I'm going to ask for a motion to approve it.

Mr. Gardner: I so move.

Chairman Carney: Thank you very much, I hoped you would, actually. A second?

Ms. Snyder: Second.

Chairman Carney: Thank you very much. Wellington, good to see you on the line.

Wellington Z. Chen, Member: Yes, I just finished the other meeting, so I apologize that I'm late joining.

Chairman Carney: No harm no foul, thank you for joining us. Are there any objections to the motion as offered? Hearing none, are there any abstentions? Hearing none, the motion is deemed passed unanimously, and the Resolution is passed.

A RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (DASNY) AUTHORIZING DASNY TO INCLUDE COMPLIANCE WITH A PROJECT LABOR AGREEMENT AS A REQUIREMENT IN THE PROJECT BIDDING DOCUMENTS IN CONNECTION WITH THE WESTERN NEW YORK CHILDREN'S PSYCHIATRIC CENTER

Mr. President.

Mr. McDaniel: Thank you Mr. Chairman. Our next item for your consideration is an addition to our outside counsel list, for Alternative Delivery Services. Brendan will give this presentation, but just some quick background: Paul Koopman has been working for quite some time on putting together a panel of professionals that can help us think about things like energy savings contracts, P3 and other matters. As part of that procurement, we procured outside counsel and as is standard, we have a Resolution to add some additional folks as outside counsel. So Brendan.

Mr. Wolf: Thank you Mr. President. For your consideration today is a Resolution approving the selection of nine law firms to be empaneled by DASNY and potentially be retained as counsel with respect to Alternative Project Delivery Services.

In early October 2020, DASNY's Procurement Department issued a Request for Proposals from various firms, including law firms, to provide legal representation on the subject of alternative project delivery. DASNY is specifically looking for legal advice involving the development of

certain Public-Private Partnership projects. As DASNY looks to its future, we are eager to move forward on a path that will allow DASNY to pursue such projects. Establishing this legal panel will assist in furthering that objective. Nine law firms submitted proposals to DASNY, and all nine firms demonstrated the expertise associated with this complex subject matter. DASNY's Board approved the establishment of an Alternative Delivery Panel of law firms several years ago, back in 2016. This empanelment of nine law firms, if approved, would supersede the previous empanelment. I am happy to answer any questions you may have. Thank you.

Chairman Carney: Thank you, Brendan. Are there questions for Brendan?

Mr. Gardner: Yes. When you do the RFP, there are a lot of law firms in New York State. How does a law firm get on the list just to receive the RFP?

Mr. Wolf: Law firms who may be interested in in this kind of work, they would find these in the Contract Reporter. We also advertise on the DASNY website; there's an advertisement, and the advertisement contains a link to the actual RFP. So that's essentially how that would work. We did get a relatively robust response, so presumably many of the law firms that we were targeting were reviewing either the Contract Reporter on a regular basis, or, less likely, DASNY's website.

Mr. Gardner: So it's not like an e-mail blast, the law firms themselves have to be paying attention and respond.

Mr. Wolf: That's correct.

Chairman Carney: Are there any other questions for Brendan? Hearing none, the Resolution appears immediately behind the Memorandum from Brendan and Ricardo. You have had a chance to take a look at it. May I have a motion, please, to approve it?

Mr. Gardner: So moved.

Chairman Carney: Thank you Jon. Is there a second?

Mr. Chen: Second.

Chairman Carney: Thank you very much, Wellington. Is there any objection to the motion as presented? Are there any abstention from the vote? Hearing none, the motion is passed unanimously, and the Resolution is adopted.

A RESOLUTION APPROVING THE SELECTION OF CERTAIN LAW FIRMS TO SERVE AS
COUNSEL TO THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (DASNY)
FOR ALTERNATIVE PROJECT DELIVERY SERVICE

Mr. President.

Mr. McDaniel: Thank you sir. I'd like to ask Deb Fasser to share her screen with everyone for a brief presentation. I will narrate and she will use the clicker. We have pictures! We have talked about 28 Liberty a lot. We can't wait to get there and we're just pleased to say that it is move-in ready, we have a couple of minor technical points we're putting together but, quite frankly, if we needed to be in there, we could be in there tomorrow.

Let's go to the first slide. This is the outside of 28 Liberty and William Street, so you can see what the plaza looks like. It will be nice to have this outdoor plaza for everyone to enjoy; we're very much looking forward to that area.

Next slide, some interior shots with the furniture in. This is the kitchenette / lounge area. You can see we have some nice places, hightops and lowtops, where people can sit and eat their lunch looking out at the view. We've also made it so that these tables and chairs can all be moved around and separated, so we think it will be very functional. We're very happy about this space.

Next, this is an example of a cubicle. One of the upgrades is this back panel, where you can have your telephone and other things, and in front you can see on the left a locker so people can have their personal items locked in the locker, which will hold a coat and other things.

Next slide, we've created a couple of spaces where people can talk together and have some privacy, or when Board Members come and want to have a place to sit casually, they can do that. It's also a place for breaks and other things. These pods are also movable, it's a nice feature for our teammates that we did not have in our old space.

Chairman Carney: Mr. President, do we know yet whether cell phone service in that area is good?

Mr. McDaniel: We are working through that. We know the cell phone service in the area is fine. On the 55th floor, we want to make sure it's fully functional so we may put a couple of boosters in there if we need to.

Chairman Carney: Okay, thank you.

Mr. McDaniel: This is just an example of one of the meeting spaces, again we have rolling furniture and flexibility to move around. Not every meeting space has an electronic board, this one does not, but we do have some electronic boards as well, so that designers and others can collaborate with folks. And if you look at the view you see Lady Liberty there, waiting to greet us when we get to the office.

Chairman Carney: And I'm guessing that all the meeting space does not have that.

Mr. McDaniel: Not all. Next slide. This is my office. I've got great views, clearly. Nice furniture set up with the ability to meet here; I also have a small conference room outside of my office for meetings with staff members and such. We're very pleased about that.

The final slide is where we'll be meeting when we get back – this is the Boardroom. Lady Liberty does welcome the Board Members. We're very pleased with how the space came out; it looks very different with furniture in it. This Board room also has a breakout room through that door there, so if a Board Member needs to take a private call or something they can slip out, make the call and come back in without disturbing the rest of the Board. And then, on the other end of the table which you cannot see, is the full electronic package with the big screen, so that we can video conference people in from Albany and other places, or do presentations on the screen. We've got state of the art technology in the room, we're excited about this. The chairs are ergonomic so all of us can be comfortable and, as you can tell, the table pulls apart, so we can move around, have multiple meetings in here, and have different configurations depending on what we're utilizing the space for.

So we just wanted to give you just a quick update on what's going on at 28 Liberty and give you view into what it looks like. Thank you, Deb.

Chairman Carney: It's very beautiful, I think we've done a terrific job of both building out and furnishing, it looks very functional.

Mr. McDaniel: We are extremely excited about it.

Chairman Carney: One question, I may have asked you this already, but if I did, I don't remember the answer. Will there be areas for hand sanitizing, infrared temperature thermometers, specific areas that are, in effect, labeled as that?

Mr. McDaniel: We will have hand sanitizing stations throughout the floor as we would normally. And then what we will do is dependent on what the protocol is at the time we get in this office. Right now, you can get in the office two ways, but we'll set it up so you have to come through the reception area in the morning to be to be checked. We will make sure we're fully functional.

Also, just for the Board's awareness, as you know we now have 25% of our employees at any time that could go into the Albany office and we'll continue to increase that. We have made the decision that, for the New York City office, until we're all ready to go in and we have the computer support people and the people to help move boxes around and such, we will hold off on moving into that building until we feel better about the density level. However, we will open it up sometime probably in the next three to four weeks for people like Steve Curro and others who come in from Albany and just need a place to sit and work between meetings and other things. So we will have some DASNY employees coming in and out of the building, but we won't have it fully functional until we're ready to all get back.

Chairman Carney: Deb Fasser, we all know who organized this presentation, it was terrific. Thank you.

Ms. Fasser: Thank you. Group effort, though.

Chairman Carney: I'm sure.

Mr. McDaniel: Group effort – I kept asking them when it was done, that was my contribution. Deb, you did a great job, we really appreciate that, thanks so much.

And now I'll turn it over to Kim Ellis for her financial report. Kim.

Ms. Ellis: Thank you, Reuben. Good morning Board Members, Mr. Chair. As highlighted in the standing Financial Report, we received \$1.3 million in financing fees through December. The percentage of direct hours charged to our public client program is slightly up at 94.1% against the budget of 92.2%, and operating expenses are approximately \$4.4 million below budget primarily driven by personnel costs and ongoing efforts to keep overall expenses down. In accordance with the Public Authorities Accountability Act of 2005 and 2009, the fiscal year 21-22 proposed Budget and Financial Plan was posted on our website and the Public Authorities Reporting Information System on December 30, 90 days in advance of the beginning of the fiscal year, with a copy sent to all Members.

Given the uncertainties of the State's financial plan and its impact on DASNY's clients, we are continuing to go through the State's recently-released proposed Budget to determine if it requires any adjustments to the assumptions that were made in developing DASNY's proposed Budget and Financial Plan. We will have a formal presentation of the proposed operating budget at the March 3 Board meeting, with anticipation of formal adoption at the March 31 meeting.

Lastly, the year-end financial statement audit is underway; KPMG has begun interim test work this week. That concludes my report.

Mr. McDaniel: Thank you, Ms. Ellis. Any questions?

Chairman Carney: Kimberly, would you remind us of the firm that will be working with KPMG?

Ms. Ellis: It escapes me right now. They are working with two firms; the same Long Island financial firm that they worked with last year, in addition to another minority firm that was added this year.

Chairman Carney: Thank you.

Mr. Gardner: We are trying out options.

Ms. Ellis: Yes, we have a minority- and a women-owned firm on this audit.

Chairman Carney: Good point, thank you.

Mr. President.

Mr. McDaniel: Any questions? If not, we'll move on to Portia and Matt Bergin to give the Public Finance Report.

Portia Lee, Managing Director, Public Finance and Portfolio Monitoring: Thank you, Reuben. A brief market update: total new issue supply is currently about \$25.3 billion year-to-date. That's 18.5% lower compared to supply at this time last year. This week, total supply is expected at \$7.9 billion. Tax-exempt bond yields were flat on Tuesday: the 10-year AAA MMD yield remained at 0.73% while the 30-year remained at 1.38%. U.S. Government bond yields increased, with both the 10-year and the 30-year Treasury increasing by 3 basis points to 1.12% and 1.87%, respectively. Municipal bond funds reported inflows for the week ending January 27 after reporting inflows previously. Since the December Board meeting, the one-year MMD rate decreased by 4 basis points, the 10-year increased by 2 basis points and the 30-year decreased by 2 basis points. The 10-year and 30-year Treasury have increased 20 basis points and 21 basis points, respectively, since that meeting. Overall, since the new year rates have been low and there hasn't been a lot of supply, so it's been a very good time to be an issuer in the market.

Since the last Board meeting, we priced and closed the St. Joseph's College financing and the FIT transaction is closing today. These deals were very well-received in the market, and I will turn it over to Matt to discuss these two pricing in more detail now.

Mr. Bergin: Thank you, Portia. I wanted to talk about the two transactions we brought to market recently. The first was St. Joseph's College. It was a new money tax-exempt financing. The loan was about \$15.6 million, and this was brought to market on January 12. This credit was very well received by the market, it was rated BBB- and the security features included a pledge of revenues and a mortgage. There was strong investor demand, even without a debt service reserve fund. The pricing included maturities from 2021 to 2030, as well as maturities in 2035, 2040 and 2051. When we work with the underwriters on these transactions, we see the orders come in in real time and again, as Portia was saying, this transaction was very well received from the market.

The maturities that I mentioned, the 2021 to 2030, 2035, 2040 and the 2051 maturities were oversubscribed between 3 and 12 times. When we talk to the underwriters, they talk about these oversubscriptions and how they're going to adjust the yields. In certain instances, let's just say a maturity had a million dollars of bonds, they had five times as many orders as there were bonds and they were able to decrease yields in certain situations commensurate with that demand. So if they were five times over, they would decrease the yield by five basis points. It doesn't always work like that, but sometimes it does. They refer to these decreases as bumps. So they'll say we were five times over, and we're going to bump the yield by 5 basis points. Again, that means there was five times as many orders as there were bonds, and they were able to decrease the yield in that maturity by 5 basis points. With the oversubscriptions and the adjustments, the true interest cost for this loan ended up being 3.9% and the College was very pleased with the outcome.

The second transaction we brought to market was different in that the FIT Student Housing Corporation was an insured transaction by Assured Guaranty. This had a AA rating from S&P, and this was a taxable transaction. With the execution of a taxable loan it's a little different than a

tax-exempt loan. The underwriter went out with what they call indications of interest. There were four maturities – 2035, 2036, 2037 and 2038 – and with the oversubscriptions they were able to decrease yields by 15 basis points in each of those maturities from where they first went out. So the execution of the pricing was very successful and, in this instance, the true interest cost or TIC was 3.1%.

Just to give a little more color, the St. Joseph's College transaction had a total of 14 investors and the FIT Student Housing Corporation transaction had a total of 8 investors but, again, with these oversubscriptions the underwriters were able to decrease the yields and, ultimately, this benefited both St. Joseph's College and the FIT Student Housing Corporation. I'll take any questions.

Mr. McDaniel: Thank you, Matt. Thank you, Portia. Any questions for Matt or Portia about Public Finance?

Ms. Lee: Reuben, if I might, I'll just quickly touch on the Credit Enhancement Report and the Bond Sale Summaries. Included in your Board materials under Additional Materials, is the annual Credit Enhancement Report for the not-for-profit portfolio. You'll see on the first page the top pie charts show fixed-rate debt versus variable-rate debt for the not-for-profit portfolio. There are no surprises here, the percentage of fixed-rate debt is growing year over year, while the variable-rate portfolio is declining.

The pie charts at the bottom of the page show outstanding debt by type of credit enhancement. Again, no surprises. The percentage of unenhanced that has grown since last year and the debt with credit enhancement has declined. The one thing I would note is that the percentage of debt with other enhancement has grown due to the recent Maimonides financing that was FHA-insured.

On page two, you can see the type of credit enhancement and the specific providers for the variable-rate portfolio for not-for-profit institutions. The following two pages show the same information in table format and the last page shows the renewal dates for letters of credit in connection with private clients for the next several years.

Lastly, also included in the Board materials are five Bond Sale Summaries. I would note that we have generally met our days-to-market benchmark, although there was one deal that was delayed because of COVID. That concludes my report, thank you.

Mr. McDaniel: Portia and Matt, thank you. I just want to let the Board know, I had the opportunity to talk to Dr. Brown yesterday at FIT and she was very pleased with the transaction. It's very important for them to get this relief during this difficult financial time. She was very complimentary of the team at DASNY and the rest of the working group, they worked very well together, so another happy client of DASNY. I appreciate the public finance team working on that, so thank you so much Portia, Matt and the rest of your team.

Chairman Carney: Congratulations to all of you, what a great report. Appreciate it.

Mr. McDaniel: That segues into Steve Curro's report. Unfortunately, Steve Curro had a very important meeting this morning so he is not on the phone, but he has given me his report to give, so I will give that to you. These are his words for the most part, but Paul Koopman, Brendan Wolf and I can answer any questions about this.

In construction, we got some good news from Budget Bulletin B1223. On CUNY, DASNY received notification that the Division of the Budget has approved over 40 DASNY-managed CUNY projects valued at over \$300 million, so that is great. A couple caveats: a couple of these are Community College projects which we know also need New York City OMB approval, so we're waiting for those to come in. The project locations include seven projects at Lehman College, six at Bronx College, four at Brooklyn College and three at City College, along with projects at Baruch, CUNY Law, Hunter College and others. We're very happy to get some of those projects moving in the right direction.

We also received notification on OPWDD, that DASNY received DOB approval for 59 DASNY-managed projects valued at \$18 million in the recent round of project approvals. We will begin working immediately on moving these projects forward. They include locations in Brooklyn, Broome County, Capital District, Central New York, Finger Lakes, Hudson Valley, Long Island, Metro New York and Staten Island. Because of COVID and trying to get all of the regulations in place, OPWDD work has been a bit slow for us, so this is really good news to see that come out.

On OMH, we received notification recently that DOB approved 11 DASNY-managed projects valued at nearly \$18 million. DASNY will begin work immediately on these projects as well; they include Mid-Hudson Valley, Rockland, Pilgrim, Sagamore and others. So we did get some good news last week from the Division of the Budget and some of these projects that we were concerned about are moving forward rapidly, so we're very pleased with that.

On Moynihan Station, DASNY issued a temporary approval for occupancy (TAO) on December 31 for the Moynihan Station Train Hall. The push to complete this TAO was a collective effort by the project's contractors, consultants, owners' group and DASNY. Keith LaPlante, Rick Theriault and Steve Curro did yeoman's effort on just organizing and getting this TAO ready. And we have some people on the ground, Bill Budinich and Rafael Sosa,, who literally were there 18 hours a day, at the end, to make sure that as work was being completed we were there to do the approvals. And it was about 6:30 on December 31 that we issued this TAO, so that team on the construction side, on the permitting side, I've told them a million times, I'll tell them a million times more before the Board, they did a fantastic job on getting this done in very difficult circumstances, to meet that deadline.

On the less than good news front, the Department of Health Life Sciences Lab Building funding has been omitted from the proposed 2021-22 Budget. We're waiting on direction and guidance from DOB about the project's future. We are hearing that there is still some work to be done there and they're looking at different options, but it will not be in the 21-22 Budget.

On the Javits Convention Center expansion, we've ramped up our communication with the owners' group. They're looking for a TAO on May 5, 2021 so we're working to make sure we can help them get that completed. There are a lot of hurdles to overcome to get there; however, DASNY is fully engaged. We're meeting with them on a weekly basis, we have people down there and we're also working with the owners' group to make sure that actually gets done. Obviously, the construction has to be completed before we can permit it, but, like Moynihan Station, we are on-site and ready to go.

For one of our newer clients, West Point Service we are currently managing two bridge rehab/replacement projects through the design phase. We're discussing with West Point now on advancing and managing these projects through the construction phase. West Point has engaged us also to manage renovation of the campus museum and replacement of a campus retaining wall through design. We are working now to get comfortable with construction contracting terms that West Point is requiring. We hope that this is just the beginning of good work at West Point in the future, and we're very excited about this as a new potential client.

We've talked for quite some time about PM Web, which is our new construction management software. We're getting close to implementation, we still have an April 1, 2021 date for going live on that. We feel like we are getting in good shape now, we've configured the project setup, budget and funding, and some of the project management non-transactional functions thus far. We're working on commitments, change orders and payments, and we're doing a lot of work with our internal staff. Shout out to our Information Services group, they have really worked hand in hand with the Construction group to help with this implementation. We'll begin migrating data over probably in early May for various projects that are ongoing. We're very excited about getting that project up and running, we're looking forward to that. That concludes Mr. Curro's Construction Report. If anyone has any questions, I am happy to have Paul Koopman answer.

Any questions? Hearing none, Mr. Chairman, I appreciate everybody's attendance and listening to this long President's Report. We got some good work done, we appreciate the Resolutions being passed. Again, our next meeting is March 3rd. We have two meetings in March, so at the March 3rd Board meeting, we will have a presentation in more detail on the budget and implications from the State's overall budget, and will request your approval at the March 31st meeting. That concludes my report, Mr. Chairman.

Chairman Carney: Mr. President, thank you very much, and thank you to all of the staff who presented today and to all the people who supported those presentations. Thank you all very much.

Are there any questions from the Members for any of the DASNY staff or even each other? Hearing none, is there any other business to come before this meeting? There being none, may I have a motion, please, to adjourn the meeting?

Mr. Chen: So moved.

Chairman Carney: Thank you Wellington, is there a second?

John B. Johnson, Jr., Vice Chair: Second.

Chairman Carney: Is there any objection to the adjournment? Is anybody abstaining from the vote? Hearing nothing, the motion passes and the meeting is adjourned. Mr. President, thank you again.

Mr. McDaniel: Thank you very much, Mr. Chairman, thanks everybody for such a great meeting.

The meeting adjourned at 11:12 a.m.

Respectfully submitted,

A handwritten signature in black ink that reads "Sara Richards". The signature is written in a cursive style and is positioned above the printed name and title.

Sara P. Richards
Assistant Secretary