

A Video Conference Meeting of the Dormitory Authority of the State of New York (“DASNY”) among DASNY’s Offices in New York City, 28 Liberty Plaza, New York, New York and 515 Broadway, Albany, New York was held on Wednesday, November 8, 2023, with proceedings commencing at 9:42 a.m.

CALL TO ORDER / ROLL CALL

The Meeting was called to order by Lisa Gomez, Board Chair at 9:42 a.m. The following Board Members and Staff were present:

Board Members Present – NYCO

Lisa Gomez, Board Chair
Gerard Romski, Esq. – Vice Chair
Alfonso L. Carney, Jr. – Board Member

Board Members Present – Albany

Robert Rodriguez – Board Member
Ken Evans, Designated Representative of the Commissioner of Health, Board Member (*ex officio*)
Christina Coughlin, Designated Representative of the Commissioner of Education, Board Member (*ex officio*)

Board Members Absent

Joan M. Sullivan – Board Member (*Via Phone / non- voting Member for this meeting*)
Beryl L. Snyder, Esq., Board Member
Janice McKinnie – Board Member
Wellington Chen—Board Member
Adrian Swierczewski, Designated Representative of the Director of Budget, Board Member (*ex officio*)

Staff Members Present

Charlie Williams, Vice President
Stephen Curro, Managing Director of Construction
Kimberly Ellis, Chief Financial Officer
Nadine Fontaine, Esq., General Counsel
Portia Lee, Managing Director, Public Finance and Portfolio Monitoring
Sara Potter Richards, Managing Director, Executive Direction
Matthew Moore, Deputy General Counsel
Ricardo Salaman, Deputy General Counsel
Dena Amodio, Associate General Counsel
Matt Bergin, Director, Public Finance
Deborah Fasser, Director, Strategic Communications & Business Development
Jenilee Flinton, Director, Internal Audit

Dan Brown, Senior Director, External Relations
Jeffrey Gordon, Director of Communications
Craig Schreivogl, Director, Portfolio Monitoring
David Ostrander, Assistant Director, Public Finance & Portfolio Monitoring
Stephen Kosier, Assistant Director, Public Finance & Portfolio Monitoring
Alex Sirdine, Senior Financial Analyst
Karen Ehlinger, Manager, Internal Control Analysis
Tamika Dunnaway, Senior Human Resources Specialist
Brittany Stinson, Media & External Relations Officer
Jerry Brouillette, Director, Information Services
Dave Byam, Senior Systems Specialist
Alison Hernandez, Senior Human Resources Specialist
Amanda Nazario, Confidential Legal Assistant
Meghan Cyr, Administrative Assistant
Lori Huelle, Executive Assistant

PUBLIC SESSION

Minutes of the October 11, 2023 Board Meeting

Upon a motion from Mr. Ronski and a second from Mr. Carney, the minutes of the October 11, 2023 Regular Board Meeting were approved unanimously.

Finance Committee Report

Mr. Ronski informed the Members that the Finance Committee met earlier today and after adopting the minutes from the October 11, 2023 Finance Committee Meeting, the Committee Members discussed the Charlton School transaction and a TELP Financing for SUNY Upstate. He stated that the Finance Committee recommends adoption of a Resolution to Proceed with the Charlton School Transaction by the full Board, and approval of the TELP Transaction.

Charlton School – Resolution to Proceed

Vice President Williams introduced David Ostrander of DASNY to present the Charlton School Transaction Summary.

Mr. Ostrander stated that the Board is being asked to adopt a Resolution to Proceed for a financing on behalf of the Charlton School in an amount not to exceed \$12 million dollars. He further stated that the proposed bonds will be issued under the Residential Institutions for Children Program. Mr. Ostrander noted that the details of the transaction were described to the Finance Committee. Chair Gomez informed the Members that the Finance Committee has recommended approval of a Resolution to Proceed with the Charlton School Transaction.

Mr. Carney moved adoption of the following entitled Resolution:

A RESOLUTION OF THE DORMITORY AUTHORITY OF THE
STATE OF NEW YORK (DASNY) AUTHORIZING STAFF AND BOND COUNSEL
TO PROCEED TO TAKE THE NECESSARY ACTION TO PREPARE
THE APPROPRIATE DOCUMENTS TO PROVIDE FOR THE FINANCING OF FACILITIES
FOR THE CHARLTON SCHOOL

Mr. Rodriguez seconded the motion and the Resolution was unanimously adopted.

SUNY University Hospital at Syracuse (SUNY Upstate)— Tax Exempt Leasing Program

Ms. Lee stated that before the Members for their consideration is a TELP transaction on behalf of SUNY University Hospital at Syracuse (SUNY Upstate) in an amount not-to-exceed \$25.8 million to finance various medical imaging, ultrasound, cancer treatment and other equipment. Chair Gomez informed the Members that the Finance Committee has recommended approval of the transaction.

Mr. Ronski moved adoption of the following entitled resolution:

A RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK
(DASNY) AUTHORIZING STAFF AND BOND COUNSEL TO TAKE THE NECESSARY
ACTIONS TO PREPARE, AND DASNY TO EXECUTE, ONE OR MORE MASTER LEASE
AND SUBLEASE AGREEMENTS AND ANY OTHER APPROPRIATE DOCUMENTS
TO MAKE EQUIPMENT AVAILABLE TO SUNY UNIVERSITY HOSPITAL AT
SYRACUSE UNDER THE TAX-EXEMPT LEASING PROGRAM

Mr. Carney seconded the motion and the Resolution was unanimously adopted.

Report of the Vice President

Vice President Williams stated that DASNY presented at a joint committee hearing convened by the New York State Senate Subcommittee on Cannabis on Monday, October 30. He informed the Members that the Subcommittee is chaired by Senator Cooney and that Senate Finance Committee Chair Krueger and Agriculture Committee Chair Hinchey were also present.

Vice President Williams informed the Members that DASNY presented third in a full day of testimony. He stated that the hearing provided a good opportunity to highlight DASNY's and SESC's progress in connection with the cannabis program. Mr. Williams reported that DASNY's presentation was well received. In response to a question from Mr. Carney, VP Williams stated that DASNY, the Office of Cannabis Management, and the Cannabis Advisory Board were the three State entities that presented at the hearing. He noted that approximately 10-15 individuals and associations also presented at the hearing.

Mr. Williams reported that DASNY will be hosting a Clean Energy Transition Seminar with campuses across the State on Tuesday, November 28, 2023. He explained that the Seminar will build upon the Master Planning Seminar that DASNY recently held, and will help higher education

professionals to decarbonize their campuses and meet the ambitious goals that New York State has established. Mr. Williams stated that DASNY is looking forward to a successful seminar.

Vice President Williams informed the Members that DASNY is proceeding with the administration of several new grant programs for Veterans Organizations and Not-For-Profit entities. He stated that the Governor's Office is planning announcements in connection with the Requests for Applications for these programs.

Chair Gomez inquired whether DASNY assistance will be administered in conjunction with resources made available for clean energy initiatives as part of the Inflation Reduction Act. Mr. Williams replied that the Executive Chamber is coordinating the implementation of resources made available through the Inflation Reduction Act, and that DASNY is optimistic that legislation will be enacted that will enable DASNY to effectively engage with municipalities on clean energy and other initiatives. Mr. Williams noted that many municipal entities lack the resources to effectively plan and execute construction projects and that DASNY can provide assistance in this regard.

Mr. Carney inquired whether DASNY's Grants Administration Unit is properly staffed to handle the new grant programs. He stated that DASNY has implemented an effective grants processing unit and thanked Ms. Richards for her leadership efforts. Mr. Williams responded that the Grants Administration Unit is a very effective and productive department that is currently well staffed to meet the current and projected programs. He noted, however, that DASNY continues to recruit and retain staff in that department as well as others.

Public Finance Report

Ms. Lee presented the Public Finance Report. She stated that since the last Board meeting, DASNY priced and closed the AMDA Transaction. Ms. Lee noted that DASNY received the opinion requested at the last meeting. Mr. Ronski thanked Ms. Lee for obtaining and providing it to him. Ms. Lee reported that DASNY also closed the PIT/Sales Tax Tender.

Ms. Lee provided a brief market update. She stated that the total year-to-date long-term new issue supply for 2023 is approximately \$318.5 billion dollars, down 8.5% from last year's comparable volume. Ms. Lee further stated that this week's supply is expected to be in line with recent averages at approximately \$8.1 billion.

Ms. Lee stated that tax-exempt bond yields were lower on Tuesday, with the 10-year AAA MMD down 4 basis points to 3.28% and the 30-year AAA MMD down 5 basis points to 4.28%. She added that the U.S. Government bond yields were also lower, with the 10-year Treasury yield decreasing by 9 basis points to 4.58%, and the 30-year treasury also decreasing by 9 basis points to 4.75%. Ms. Lee reported that Municipal bond funds reported outflows for the week ending November 1 after outflows the prior week.

Ms. Lee informed the Members that since the October 11th Board meeting, the one-year MMD rate has decreased by 23 basis points, the 10-year MMD has decreased by 20 basis points, and the 30-year MMD has decreased by 8 basis points. She stated that during that same time period, the

10-year treasury yield has decreased by 8 basis points, and the 30-year treasury yield has decreased by 10 basis points.

Ms. Lee informed the Members that DASNY's Public Finance and Portfolio Monitoring Unit is undertaking several process improvement initiatives. She highlighted a database implementation project led by Steve Kosier that will increase efficiencies and automation. Ms. Lee stated that once implemented, several of the year-end reports will be automated, which will save a great deal of staff time.

Ms. Lee stated that Dave Ostrander is leading an effort to simplify and streamline the transaction reports that are provided to the Board in connection with bond financings. She explained that the initiative will eliminate the redundancy in these reports and provide critical information in a more straightforward manner. Ms. Lee informed the Members that she will provide a template of the proposed format at the December Meeting. She noted that the current format has been utilized since the 1990's and is due for an update.

Ms. Lee noted that in addition to the year-end reports required by statute, the Public Finance Unit provides a Credit Enhancement Report to the Board annually each February. She explained that during the 2008 financial crisis when there was a great deal of market turmoil and a substantial portion of DASNY's portfolio was bond insured, the Members asked for the report to be generated and maintained. Ms. Lee stated that at the time, 29% of the portfolio was insured by monoline bond insurers; other transactions had FHA or SONYMA insurance; and some had letter of credit enhancement. She noted that the unenhanced portfolio was 34% in 2008. Ms. Lee informed the Members that by the early 2020s, there was very little credit enhancement in the DASNY portfolio and this has remained consistent over the past three years. In contrast, the amount of the unenhanced portfolio has grown significantly and DASNY now undertakes private placement transactions as well. As a result, Ms. Lee requested that the Board agree to discontinue the Credit Enhancement Report as it is time consuming to produce and there is little value at this point in time.

Mr. Rodriguez asked if the report could be automated and produced upon request of the Board Members. Mr. Ronski inquired whether, should DASNY's portfolio change, the report could be resumed. Mr. Sirdine responded that although certain aspects of the report have been automated, there is a lot of data that is time consuming to obtain. He stated that it takes approximately one month to produce the report annually. Ms. Lee noted that the question before the Members today is whether Public Finance should continue to provide the report to the Board annually and in response to the Members' questions replied that staff could produce the report upon request by the Board.

In response to a question from Mr. Rodriguez, Ms. Lee stated that DASNY does not solicit credit enhancement providers generally; rather, each financing team may explore whether credit enhancement would be beneficial for a particular transaction and if so, DASNY will examine various options with the Underwriters, the client, and others.

After discussion, the Members agreed that the market, as well as the DASNY portfolio, has changed considerably since 2008. The Members agreed that the report was no longer required to be produced annually but reserved the right to request it on an ad hoc basis.

Financial Report

Ms. Ellis delivered the Financial Report. She stated that personnel expenses continue to be under projection, primarily due to retirements and slower than anticipated recruitments. Ms. Ellis further stated that non-personnel expenses are also slightly under projection by approximately \$400,000, due to timing of computer services and equipment purchases. She stated that there were no private issuances in September, so the year-to-date financing fees remain at \$800,000.00 through September. Ms. Ellis reported that the percentage of direct hours charged to public client programs remained at 95.7% against the budget of 94.6%.

Ms. Ellis stated that budget staff is reviewing year-end projections and working on developing next year's financial plan. She informed the Members that an update to the 2023-2024 Budget and Financial Plan summary, including updated results from fiscal year 2022-2023, and projections on year-end fiscal results, will be provided at next month's meeting.

Construction Projects Report

Mr. Curro presented the Construction Report. He informed the Members that two projects have been added to the DASNY Portfolio: a \$6.5 million science lab renovation project at Queen's College, and the installation of emergency generators at Rockland Psychiatric Center. Mr. Curro stated that DASNY completed a \$10.9 million Campus-wide Accessibility Condition Assessment project at City College. He noted that a project at Baruch College and has been placed on hold due to lease negotiations regarding the project space.

Mr. Curro reported that expenditures for the period ending September 2023 were \$357 million, compared to \$303 million in September 2022, an increase of \$54 million over the prior year expenditures.

Mr. Curro stated that the project on the cover of the Monthly Projects Report is a \$1.7 million OMH Community Minor Maintenance project completed in September. He informed the Members that the project involved the re-siding of a 4,000 square foot residence, replacement of windows and doors, and various interior work.

Mr. Curro stated that that the estimated completion date for the SUNY FIT project has been extended to April 2024 from February 2024. Mr. Curro further stated that SUNY New Paltz's Awosting Hall renovation project received a TCO on Friday, October 20, in time for student occupancy for the Spring 2024 semester. He reported ongoing work at UAlbany's Colonial Quad as well as Mackenzie Hall Phase III C at SUNY Alfred, with occupancy expected for the 2024 spring semester.

Mr. Curro informed the Members that he, Mike Stabulas and Kate Seely-Kirk met with their CUNY counterparts last Thursday to discuss DASNY proposals for process improvements and

efficiencies. He stated that the meeting went very well and is optimistic that the changes will yield positive results. Mr. Curro further stated that DASNY continues to implement efficiencies in the procurement process as CUNY has requested.

Mr. Curro stated that work continues at the Lehman School of Nursing and a TCO is expected in time for Spring 2024 occupancy. He noted that DASNY has a lot of work across a number of CUNY campuses. With respect to the DOH Life Sciences Lab, negotiations with the design build team have concluded and DASNY anticipates forwarding the contract package to the New York State Attorney General and OSC for approval in the near future.

Mr. Curro reported that heavy activity continues on OMH campuses, including the St. Lawrence PC, Mid-Hudson Forensic PC, Capital District PC, Rochester PC, Central New York and Mohawk Valley PC, and others. He noted that there are many more OMH projects in the queue.

Mr. Curro stated that there are currently 35 open recruitments in the Construction Division. He updated the Members on the PMWeb Implementation project. He stated that Phase I has been completed, and staff is working on the migration of projects from the current project management system into PMWeb. Phase II of the implementation is expected to commence in the first quarter of 2024.

Mr. Ronski congratulated Mr. Curro on the successful and challenging negotiation of the Design Build Contract for the DOH Lab.

EXECUTIVE SESSION

Mr. Ronski moved that the Members go into executive session to discuss the financial and credit history of a particular corporation, matters leading to the appointment, employment, promotion, demotion and the discipline, suspension, dismissal, or removal of a particular person or corporation, and proposed, pending or current litigation.

Mr. Carney seconded the motion and the Members went into Executive Session.

PUBLIC SESSION

Chair Gomez stated that while in Executive Session, no decisions were made other than that to return to Public Session.

Mr. Carney moved that the meeting adjourn. Upon a second by Mr. Rodriguez, the meeting was adjourned at 10:40 a.m.

Respectfully Submitted,

Sara Richards
Assistant Secretary