

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, 515 Broadway, Albany, New York and 6047 Transit Road, Suite 103, Buffalo, New York was held on Wednesday, December 6, 2023, with proceedings commencing at 9:48 a.m.

CALL TO ORDER / ROLL CALL

The Meeting was called to order by Lisa Gomez, Board Chair at 9:48 a.m. The following Board Members and Staff were present:

Board Members Present – NYCO

Lisa Gomez, Board Chair
Gerard Romski, Esq. – Vice Chair
Beryl L. Snyder, Esq., Board Member
Robert Rodriguez – Board Member (*Arrived at 10:15 a.m.*)
Wellington Chen—Board Member
Alfonso L. Carney, Jr. – Board Member (*Via Zoom*)

Board Members Present – Albany

Joan M. Sullivan – Board Member
Adrian Swierczewski, Designated Representative of the Director of Budget, Board Member (*ex officio*)
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 Present – Buffalo

Janice McKinnie – Board Member

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
Dan Brown, Senior Director, External Relations
Matt Bergin, Director, Public Finance

Geoffrey Arnold, Director, Budget and Operations
Jerry Brouillette, Director, Information Services
Deborah Fasser, Director, Strategic Communications & Business Development
Jenilee Flinton, Director, Internal Audit
Jeffrey Gordon, Director of Communications
Craig Schreivogl, Director, Portfolio Monitoring
Stephen Kosier, Assistant Director, Public Finance
David Ostrander, Assistant Director, Public Finance
Karen Ehlinger, Manager, Internal Control Analysis
John Savona, Project Executive, Construction and CS Administration
Tamika Dunnaway, Senior Human Resources Specialist
Brittany Stinson, Media & External Relations Officer
Dave Byam, Senior Systems Specialist
Alison Hernandez, Senior Human Resources Specialist
Amanda Nazario, Confidential Legal Assistant
Lori Huelle, Executive Assistant

PUBLIC SESSION

Chair Gomez welcomed the Members and complimented the DASNY Staff on this year's Annual Report, which was distributed to the Members in advance of the Meeting.

Minutes of the November 8, 2023 Board Meeting

Upon a motion from Mr. Romski and a second from Mr. Carney, the minutes of the November 8, 2023 Regular Board Meeting were approved unanimously.

Finance Committee Report

Finance Committee Chair Romski informed the Members that the Finance Committee met earlier today, and after adopting the minutes from the November 8, 2023 Finance Committee Meeting, the Committee Members discussed the Cornell University transaction. He stated that the Finance Committee unanimously recommends adoption of a Resolution to Proceed with the Cornell University Transaction by the full Board.

Cornell University– Resolution to Proceed

Chair Gomez introduced David Ostrander of DASNY to present the Cornell University Transaction Summary.

Mr. Ostrander stated that the Board is being asked to adopt a Resolution to Proceed for a financing in an amount not to exceed \$800 million on behalf Cornell University, the details of which are described in the Board Materials and were more fully described at the Finance Committee earlier today. Most of the Board Members attended the Finance Committee Meeting. Mr. Ostrander further stated that Staff expects that the Members will be asked to adopt financing documents for the transaction at the January Board meeting.

Ms. Snyder 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 CORNELL UNIVERSITY

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

EXECUTIVE SESSION

Mr. Carney 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, discipline, suspension, dismissal, or removal of a particular person or corporation and proposed, pending or current litigation.

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

PUBLIC SESSION

While in Executive Session, no decisions were made other than that to return to Public Session.

Governance Committee Report

Governance Committee Chair Snyder reported that the Governance Committee met earlier today and after approving the minutes from the May 10, 2023 meeting, the Committee undertook the Annual Review of certain items as required. Ms. Snyder asked Sara Richards to summarize the actionable items before the Members today.

Ms. Richards stated that the Governance Committee Members reviewed the Governance Committee Charter and Governance Principles at the Committee meeting earlier today. She informed the Members that neither Staff nor Committee Members are recommending any changes at this time and therefore, no further Board action is required for these two items.

Ms. Richards stated that there are two actionable items considered by the Committee that need to be considered and approved by the full Board. She further stated that the first of these items is the Mission Statement and Performance Measures, including Metrics. She noted that Section 2824-a of the Public Authorities Law requires the Full Board to perform an Annual Review of these items.

Ms. Richards informed the Members that neither DASNY Staff nor the Committee Members are recommending any changes at this time.

Mr. Carney moved the adoption of the following entitled Resolution:

RESOLUTION OF THE MEMBERS OF THE BOARD OF THE DORMITORY AUTHORITY
OF THE STATE OF NEW YORK APPROVING THE DORMITORY AUTHORITY
OF THE STATE OF NEW YORK MISSION STATEMENT AND
METRICS TO QUANTIFY PERFORMANCE GOALS

Ms. McKinnie seconded the motion and the Resolution was unanimously adopted.

Ms. Snyder stated that the second document that must be reviewed and approved by the full Board is the Disposition of Certain Real Property Guidelines. Ms. Richards informed the Members that no changes were recommended by either Staff or the Corporate Governance Committee.

Mr. Rodriguez moved the adoption of the following entitled Resolution:

RESOLUTION OF THE MEMBERS OF THE BOARD OF THE DORMITORY AUTHORITY
OF THE STATE OF NEW YORK (DASNY) APPROVING THE GUIDELINES
PERTAINING TO THE DISPOSITION OF CERTAIN PROPERTY
OWNED BY THE DORMITORY AUTHORITY

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

Ms. Snyder reported that the Committee Members considered the implementation of raises for Staff Officers and other Management Confidential Employees in accordance with the promulgated Budget Bulletin from the Division of Budget. She stated that the Governance Committee unanimously recommended approval by the full Board.

Mr. Carney moved the adoption of the following entitled Resolution:

A RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK
("DASNY") AUTHORIZING THE IMPLEMENTATION OF SALARY ACTIONS
FOR STAFF OFFICERS AND EXECUTIVE STAFF
CLASSIFIED AT THE STAFF OFFICER LEVEL

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

Report of the Vice President

Vice President Williams informed the Members that Michael Clay, Senior Director of DASNY's Opportunities Program Group, received two awards this month: the Lifetime Achievement award from the Regional Alliance for Small Contractors and a Leadership award from the Minority Business Development Institute. Vice President Williams stated that Mr. Clay is highly regarded across New York State for his work with Minority and Women Owned Business Enterprises and thanked him for his leadership in this area.

Mr. Carney congratulated Mr. Clay and stated that DASNY has achieved widespread recognition for its efforts in the MWBE space due in large part to Mr. Clay's pivotal role and leadership.

Mr. Williams informed the Members that approximately 70 engineering firms, architecture firms, public universities, and private universities attended the Sustainability Conference hosted by DASNY at SUNY Albany last week. He thanked Sal Renda, Construction Chief Project Manager and Eric McQuide, Director Sustainability, Energy and Environmental Programs for their roles in making the conference a success, as well as Joanna Yackel, Deborah Fasser and Brittany Stinson for assisting with the program. Mr. Williams informed the Members that DASNY received positive feedback on both the program content as well as the opportunity to gather in person for the event.

Vice President Williams invited the Members to DASNY's bi-annual meeting at the New York State Museum in Albany on December 15. He explained that the purpose of the meeting is to get the Staff together for an enjoyable evening while providing an update on DASNY's successes over the past year and discussing goals for 2024. He thanked our colleagues from the New York State Education Department for making the venue available to DASNY. Mr. Williams explained that similar events will take place in New York City and Western New York. He added that this event is part of DASNY's Employee Engagement efforts and that more in person events will be scheduled in the upcoming year.

Responding to a comment from Mr. Carney, Ms. Coughlin stated that DASNY is currently working on several renewal projects at the Museum. She thanked DASNY for their efforts and wished everyone a nice evening.

Vice President Williams directed the Members' attention to the 2023 Annual Report. He stated that this year, the Report includes a section on the Grant programs administered by DASNY. Mr. Williams informed the Members that our State partners and other Stakeholders rely heavily on DASNY in this space, and that DASNY manages approximately 18 active grant programs. He noted this is a growing part of DASNY's portfolio.

Mr. Carney acknowledged the importance of the Grant Programs to DASNY and inquired as to staffing in the department. Vice President Williams responded that additional staff will be hired as needed to accommodate increased workload.

Mr. Williams directed the Members' attention to the 2024 Board Meeting Schedule included in the Board materials.

Public Finance Report

Ms. Lee presented the Public Finance Report. She thanked Mr. Ostrander for his work on the revised transaction summary report template discussed with the Members last month. She noted that the Board materials include both a standard report for the Cornell University transaction, as well as a mockup of what the report will look like utilizing the new template.

Ms. Lee explained that the most pertinent information regarding each transaction is set forth on the front page so that it is clear what is being asked of the Board. Information about the borrower follows on subsequent pages. She further explained that the same level of data is provided in the report, using a streamlined format including bullets, while redundancy is eliminated. Ms. Lee stated that the new format utilizes technology to produce information in the charts and tables and that the goal is a crisp, clear, and easy to read report.

Chair Gomez agreed that the new version is an improvement and thanked Ms. Lee and Mr. Ostrander. Mr. Ronski agreed.

In response to an inquiry from Mr. Rodriguez, Ms. Lee stated that the details of the transaction after closing will continue to be reflected in the Bond Sale Summaries, and that no changes are anticipated for the Bond Sale Summaries.

Ms. Lee provided a brief market update. She stated that the total 2023 year-to-date long-term new issue supply is approximately \$341 billion, down about 2.3% from last year. Ms. Lee informed the Members that this week's supply is expected to be heavier than recent averages at almost \$10 billion.

Ms. Lee stated that tax-exempt bond yields were lower on Tuesday, as compared to the day before, with the 10-year AAA MMD decreasing by 4 basis points to 2.57% and the 30-year also decreasing by 4 basis points to 3.73%. She further stated that the U.S. government bond yields were also lower, with the 10-year Treasury yield decreasing by 10 basis points to 4.18% and the 30-year Treasury yield decreasing by 13 basis points to 4.30%. Ms. Lee noted that municipal bond funds reported outflows for the week ending November 29 after the prior week of inflows.

Ms. Lee reported that since the November 8th Board meeting, the one-year MMD decreased by 51 basis points, the 10-year MMD decreased by 71 basis points, and the 30-year MMD decreased by 55 basis points. She added that during that same time period, the 10-year Treasury yield decreased by 40 basis points and the 30-year decreased by 45 basis points.

Ms. Lee directed the Members' attention to the Bond Sale Summaries for 5 transactions, including performance metrics.

Ms. Snyder inquired whether there has been an increase in financing inquiries in light of potential interest rate cuts in the coming months. Ms. Lee responded that it appears that inquiries are increasing. In response to a question from Mr. Ronski, Ms. Lee stated that DASNY does not have any outstanding bonds for the College of Saint Rose.

Financial Report

Ms. Ellis delivered the Financial Report. She stated that the quarterly investment portfolio increased by approximately \$500 Million, primarily due to new money bond issuances offset by construction expenditures and payments to bondholders. She directed the Members' attention to the broker dealer results on the last page of the report and highlighted that this was a strong quarter for MWBE participation, with over 63%, or approximately \$4.5 Billion in trades via

phone solicitation being awarded to MWBE firms and 9%, or approximately \$657 Million, going to SDVOBs. Ms. Ellis added that there has been an increase of MWBE and SDVOB participation on the electronic trading side, and in the past quarter, just under 12%, or \$379 Million, was awarded to MWBE firms and just under 1% or \$28 Million, was awarded to SDVOBs.

Ms. Ellis stated that these strong numbers are a reflection of the improvements made to DASNY's investment policy and guidelines, which enabled many non-majority firms to demonstrate their abilities. She indicated that the next quarterly investment report will include cumulative results for the 9 month period ending December 31, 2023 and will highlight the improvements over time.

Mr. Carney stated that Michael Clay and his staff have played a pivotal role in DASNY's MWBE success and commended Mr. Clay for his work in this area.

Regarding DASNY's current projected financial results for this fiscal year, Ms. Ellis stated that the projected surplus has improved from \$1.4 Million to \$2.6 Million. She asked Geoff Arnold, Director of Budget and Operations, to discuss the financial results in more detail. Mr. Arnold reported that DASNY has prepared an update to the budget and financial plan summary adopted by the Board at the March 1, 2023 Board meeting as required by the Public Authorities Reform Act of 2009. He stated that the updated 2023-24 expense projections include salary expenses, which are projected to come in \$2.4 Million under budget, primarily due to filling positions slower than anticipated, combined with retirements and resignations that have led to overall headcount remaining fairly consistent at 460-470 FTEs.

Mr. Arnold informed the Members that benefit costs are projected to come in \$0.5 Million under budget, primarily due to updated retirement contribution expenses received from NYS Retirement System. He stated that Management and Operations expenses are projected to be \$0.4 Million under budget, with savings against budget projected in utilities, corporate insurance and computer services. Mr. Arnold further stated that overall internal operating expenses, excluding pass-throughs, are projected to be \$3.4 Million under budget. He further stated that non-internal operating or pass-through expenses are projected to end up \$20.3 Million under budget, primarily due to the post-employment benefit accounting entry, which is represented as an expense with an offsetting receivable for public clients.

Mr. Arnold reported that while revenue is projected to decrease by \$20.1 Million from the adopted budget, the majority of the decrease is a result of the post-employment benefit accounting entry. He explained that for public clients, DASNY recognizes an expense and corresponding revenue for each client's allocable share of DASNY's post employment liability. He further explained that the expense is projected to be negative this year, due primarily to increases in interest rates associated with the actuarial valuation. Mr. Arnold noted that DASNY anticipated a \$20.7 Million budget for this item, and emphasized that this is an accounting entry and does not reflect actual disbursements.

Mr. Arnold informed the Members that the projected surplus from operations increased from \$1.4 Million in the adopted budget to \$2.6 Million in the mid-year update, primarily due to an

increase in interest earnings in the operating funds for private and fixed fee clients, combined with a decrease in allocated expenses to these clients. He stated that Staff is currently developing the 2024-25 proposed budget, which will be submitted to the Board by December 31, as required under the Public Authorities Law, and presented at the January Board Meeting. He noted that the Board will be asked to adopt the 2024-25 operating budget at the March 2024 Board meeting.

Ms. Ellis provided an update on the new Debt Management System. She reminded the Members that the Board authorized a contract with SS & C Technologies at the November 2022 Board Meeting. Ms. Ellis stated that staff has completed the implementation and migration of data into the new system, and we are currently live. She further stated that training and report creation will occur in the next phase.

Ms. Ellis also updated the Members on the JDE Replacement Project. She reminded the Members that the Board authorized DASNY to enter into a contract with HSO Enterprise Solutions LLC as its implementation partner to plan, design, build, train, and deploy Microsoft Dynamics 365 for Finance & Operations, which is the replacement for the current financial system. Ms. Ellis stated that the project commenced in mid-November and is currently in the analysis phase to review current processes. Ms. Ellis added that Finance Staff and other units (Budget, IS, and Construction) have been very engaged in the process. She informed the Members that two business releases are anticipated, with the first release encompassing budgeting and the components of the general ledger required for the budget planning process. That component is expected to go live next October. She stated that the second release encompasses components including general ledger, accounts payable, accounts receivable, cash and bank management, procurement, project accounting, fixed assets, journal updates, treasury automation and interfaces between other systems and is anticipated to go live in April 1, 2025 at the beginning of the 2025/26 fiscal year.

Chair Gomez congratulated Ms. Ellis and her team for their efforts and time on this project. She acknowledged that the transition to a new system is complex and time-consuming, especially while maintaining day to day operations on the existing system.

Construction Projects Report

Mr. Curro presented the Construction Report. He informed the Members that four new projects totaling \$70 Million have been added to the DASNY Portfolio: CUNY projects at Baruch and various Community Colleges, as well as two OMH projects; a \$45 Million parking garage at the Capital District Psychiatric Center and a project at the Central New York Psychiatric Center. Mr. Curro stated that the OMH projects at the New York Psychiatric Institute and at South Beach Psychiatric Center have been completed. He noted that two projects have been dropped from the portfolio.

Mr. Curro reported that overall project expenditures for the period ending September 2022 were \$360 million, compared to \$446 million in September 2023, a net gain of \$86 million year over year.

Mr. Curro provided updates on several ongoing projects. He reported that M/E/P and finish work continues at FIT with substantial completion anticipated in April 2024. Mr. Curro stated that DASNY is still working with Con Ed to get power to the building, and meets weekly with FIT and the general contractor.

Mr. Curro stated that the SUNY New Paltz Awosting Hall renovation project is complete and is scheduled to open in January 2024. He further stated that DASNY will be starting the fifth and final residence hall renovation project in that residence hall community in January 2024, and the project is valued at \$40 Million.

Mr. Curro stated that the substantial completion date for the UAlbany Colonial Quad project is April 2024 with fall occupancy expected. He added that Alfred's MacKenzie Hall Phase III is also nearing completion and is expected to be open for the Spring 2024 semester.

Mr. Curro informed the Members that he will be attending a meeting with CUNY on December 12, 2023 together with Kate Seely-Kirk and Mike Stabulas. The parties will discuss process improvements for the program, and these changes will then be announced to DASNY and CUNY staff at the January 2024 CUNY Coordination Meeting.

Mr. Curro reported that the \$100 Million Lehman School of Nursing project is expected to be complete for the 2024 Spring semester. He informed the Members there was a steampipe failure at Hunter College this week and that DASNY was engaged by CUNY to work on stabilizing the situation.

Mr. Curro stated that negotiations have concluded on the DOH Life Sciences Lab Project and the contract is pending approval of the Attorney General, after which OSC approval is required. He indicated that he is optimistic that the design process will commence in early 2024.

Mr. Curro stated that there is a very heavy OMH workload at this time, including the parking garage at the Capital District Psychiatric Center and a \$33M design-build project at Rochester Psychiatric Center.

Mr. Curro stated that there are currently over 30 open positions in the Construction Division. He informed the Members that a number of Project Labor Agreements for various projects are underway, including Rochester Psychiatric Center, Western New York Children's Psychiatric Center and The Capital District Psychiatric Center parking garage. He added that negotiations continue with New York City BCTC on the 5 borough PLA and with Long Island BCTC for blanket PLAs.

Mr. Curro reported that DASNY staff attended an Association of General Contractor's (AGC) Conference last week and presented to a liaison meeting including SUCF and OGS on a number of topics including customer-agency capital plans, staffing concerns, legislative updates, procurement issues, contract language and MWBE matters. Mr. Curro advised that project migration from our prior system of Contract Manager into PMWeb continues.

In response to an inquiry from Mr. Rodriguez regarding the timing for the PLAs. Mr. Curro stated that our current New York City PLA expires at the end of this month and will be extended for another month. He indicated that he is hopeful that the replacement PLA will be completed by the end of January. Mr. Curro stated that the other PLAs are project specific and will be negotiated in connection with the bidding schedule for those projects.

Mr. Carney moved that the meeting adjourn. Upon a second by Mr. Rodriguez, the meeting was adjourned at 10:53 a.m.

Respectfully Submitted,

Sara Richards
Assistant Secretary