

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 4, 2024 with proceedings commencing at 9:40 a.m.

CALL TO ORDER / ROLL CALL

Ms. Richards called the roll and the Meeting was called to order by Chair Gomez at 9:40 a.m.

Board Members Present – NYCO

Lisa Gomez – Chair
Gerard Ronski, Esq. – Vice Chair
Beryl L. Snyder, Esq., Secretary
Wellington Chen – Board Member
Kent Syverud – Board Member
Alfonso L. Carney, Jr. – Board Member (Via Phone/Non-Voting Member)

Board Members Present – Albany

Joan M. Sullivan – Board Member
Christina Coughlin, Designated Representative of the Commissioner of Education, Board Member (*ex officio*)
Ken Evans, Designated Representative of the Commissioner of Health, Board Member (*ex officio*)

Board Members Present – Buffalo

Janice McKinnie – Board Member

Board Members Absent

Adrian Swierczewski, Designated Representative of the Director of Budget, Board Member (*ex officio*)

Outside Bond Counsel Participants – Via Zoom

Christopher J. Reitzel, Esq., Nixon Peabody LLP
Miska L. Shaw, Esq., Ahmad Zaffarese LLC

Senior and Presenting Staff Members

Robert J. Rodriguez, President & CEO
Charlie Williams, Vice President
Stephen Curro, Managing Director, Construction
Kimberly Ellis, Chief Financial Officer
Nadine Fontaine, Esq., General Counsel

Portia Lee, Managing Director, Public Finance & Portfolio Monitoring
Sara Potter Richards, Managing Director, Executive Direction
Rose Rodriguez, Chief of Staff
Matthew Moore, Deputy General Counsel
Ricardo Salaman, Deputy General Counsel
Geoffrey Arnold, Director, Budget & Operations
Matthew Bergin, Director, Public Finance
Craig Schreivogl, Director, Portfolio Monitoring
David Ostrander, Assistant Director, Public Finance & Portfolio Monitoring
Alex Sirdine, Senior Financial Analyst
Catherine Louie, Legal Fellow

Various Staff Members of the Dormitory Authority of the State of New York and Members of the Public also joined via Zoom.

PUBLIC SESSION

Chair Gomez welcomed the Members and Staff to the Meeting.

Minutes of the November 6, 2024 Board Meeting

Upon a motion from Mr. Syverud and a second from Mr. Ronski, the minutes of the November 6, 2024 Regular Board Meeting were approved unanimously.

Finance Committee Report

Mr. Ronski reported that the Finance Committee met earlier today. He stated that after adopting the minutes from the November 6, 2024 Finance Committee meeting, the Committee Members discussed the Saint Ann's School transaction and recommend full board approval of this financing at today's meeting.

Saint Ann's School – Single Approval Financing/Resolution

Mr. Ostrander stated that the Board is being asked to adopt the necessary documents for a financing in an amount not to exceed \$44,000,000, with a term not to exceed 31 years on behalf of Saint Ann's School. He informed the Members that the Bond proceeds are expected to be used to finance a portion of the costs related to the purchase, renovation and equipping of a 25,000 square-foot building located at 142 Pierrepont Street in Brooklyn.

Mr. Ostrander stated that it is anticipated that the proposed issuance will be sold through a private placement to Webster Bank, a Qualified Institutional Buyer. He further stated that the Bonds are expected to be issued as fixed rate drawdown bonds with a term of 30 years. Mr. Ostrander explained that drawdown bonds allow for the issuance of specific principal amounts, as project costs are incurred, during a three-year interest only period. He further explained that following the drawdown period, the principal amount of the bonds will begin to amortize over a 27-year period.

He noted that the bank will require a pledge of revenues to secure the bonds as well as certain financial covenants.

Mr. Ostrander introduced Christopher Reitzel, Esq., Nixon Peabody LLP, and Miska L. Shaw, Esq., Ahmad Zaffarese LLC, to present the bond documents.

Mr. Reitzel greeted the Members and stated that he is grateful for the opportunity to partner with MWBE firms to work on DASNY transactions. He stated that he has participated in such arrangements since 2009 and is grateful for the opportunity to work with Ms. Shaw for the first time.

Mr. Reitzel further described the transaction and presented the financing documents. He stated that before the Members for consideration is the adoption of the Saint Ann's School Revenue Bond Resolution authorizing the issuance of revenue bonds for projects for Saint Ann's School, and a Series Resolution authorizing the issuance of one or more series of Saint Ann's School Revenue Bonds in a principal amount, for any individual Series and in the aggregate, not to exceed \$44,000,000.

Mr. Reitzel stated that the proceeds of the Bonds will be used to finance the purchase and renovation of real property for the purpose of creating additional space for the School, capitalized interest, and costs of issuance. He further stated that it is currently expected that the Bonds will be issued in a single series of tax-exempt Bonds and will be privately placed with Webster Bank, National Association by D.A. Davidson & Co., as Placement Agent. Mr. Reitzel informed the Members that the Bonds are expected to be issued as drawdown bonds, with an approximately 3-year drawdown period during which the School will be paying only interest.

Mr. Reitzel explained that the General Resolution constitutes the basic agreement between DASNY and the holders of the Bonds issued under it and contains the basic terms that apply to each Series of Bonds. He further explained that the General Resolution authorizes bonds to be issued from time to time as fixed rate bonds, variable rate bonds and in other forms or structures, all in accordance with a related Series Resolution or Certificate of Determination, and for the purposes set forth therein. Mr. Reitzel stated that each Series of Bonds is secured by revenues, consisting of payments to be made by the School under the related Loan Agreement, by certain funds and accounts established for such Series of Bonds, and by any other security pledged to the payment of such Series.

Mr. Reitzel stated that the Series Resolution authorizes the issuance of up to \$44,000,000 aggregate principal amount of Authorized Bonds in one or more series, at one or more times, and delegates to various officers of DASNY the power to make certain determinations and to do all things necessary or convenient in connection with the sale and issuance of the Authorized Bonds. In accordance with DASNY's guidelines, the Series Resolution also contains restrictions on the ownership and transfer of the Authorized Bonds to Qualified Institutional Buyers, and he noted that Webster Bank is a Qualified Institutional Buyer.

Ms. Shaw described the Loan Agreement to be entered into and the security for the Authorized Bonds.

Ms. Shaw stated that the Authorized Bonds are special limited obligations of DASNY, payable solely out of payments made by the School pursuant to the Loan Agreement, and the moneys and investments held in the funds and accounts established by the General Resolution and the Series Resolution. She further stated that the Loan Agreement will require the School to make payments in amounts and at times sufficient to make timely payment of debt service on the Authorized Bonds.

Ms. Shaw explained that the School's obligation to make payments under the Loan Agreement will be a general obligation, and consistent with DASNY's Financing Guidelines, specific security for the School's obligations under the Loan Agreement and any financial covenants will be determined by Webster Bank and the School. She added that it is expected that the Authorized Bonds will be secured by an all-assets pledge set forth in the security agreement. Ms. Shaw stated that the Authorized Bonds are not expected to be secured by a mortgage, a debt service reserve fund, a letter of credit or a financial guaranty insurance policy.

Ms. Shaw stated that the School will enter into a Bond Purchase and Continuing Covenants Agreement or similar agreement with Webster Bank, which is expected to contain certain financial covenants. She explained that upon issuance of the Authorized Bonds, DASNY will assign its rights under the Loan Agreement and the security documents to the Trustee pursuant to one or more Assignment Agreements, subject to certain retained rights of DASNY relating to, among others, the preservation of the tax status and statutory validity of the Authorized Bonds, indemnification of DASNY by the School, and the receipt of administrative fees. Ms. Shaw informed the Members that there is also expected to be an intercreditor agreement governing the sharing of security between the Authorized Bonds and certain other outstanding indebtedness of the School.

Ms. Snyder moved the adoption of the following entitled Resolutions:

A RESOLUTION AUTHORIZING THE ISSUANCE BY THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK OF ITS SAINT ANN'S SCHOOL REVENUE BONDS; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH BONDS AND; PROVIDING FOR THE RIGHTS OF THE HOLDERS THEREOF

SERIES RESOLUTION 2025-1 AUTHORIZING UP TO \$44,000,000 SAINT ANN'S SCHOOL REVENUE BONDS

Ms. McKinnie seconded the motion and the Resolutions were unanimously approved.

Report of the President

President Rodriguez delivered the President's Report. He informed the Members that DASNY continues to build relationships with new and existing clients. The President stated that DASNY has held informational orientation sessions for the architecture and engineering firms that we work with in both the Upstate and Downstate regions, many of whom have not worked with DASNY previously. He thanked Steve Curro and his team for helping to organize those meetings. President Rodriguez noted that they were very well received by the participants. He stated that the

Downstate session focused on the improvements DASNY has made in the post-COVID years in order to better serve CUNY. The President further stated that a number of new MWBE partners participated as well, which is a positive development. He informed the Members that he was very pleased to engage with all of the participants, old and new and felt that the sessions were productive.

President Rodriguez stated that he visited Odyssey House on November 19. He informed the Members that this project is DASNY's first large-scale modular project and is located on Wards Island. The President stated that the Odyssey House has been a longstanding customer of OASAS, and although DASNY has worked with them on multiple facilities, this project is unique in that the modular structure was transported in 71 truckloads, and then constructed in 11 days. He informed the Members that he is excited that DASNY continues to deliver projects in innovative ways for our clients. The President noted that the ribbon cutting will be this spring, and he invited the Members to attend.

President Rodriguez updated the Members on DASNY's midyear Performance Metrics. He thanked Internal Controls Officer Greg Maisenbacher and the Internal Controls Team for their work in monitoring DASNY's work against stated goals. He stated that at the midyear point, DASNY has completed 24 full-service construction projects over \$1 million and all of them were completed under budget. Ten of these were critical SUNY Housing Projects, and all 10 were delivered on time and in time for student occupancy. He noted that the total budget for those 24 projects was \$136 million and DASNY delivered them at an estimated cost of \$121.2 million, or 11% under the total budget.

President Rodriguez stated goals were not met for 6 projects due to factors including COVID impacts and client design-related changes. With respect to MWBE participation, DASNY has exceeded the goals at 33.94%, which includes 19.65% participation for MBEs, 14.29% for WBEs, and 5.03 % for SDVOBs. He noted that DASNY awarded a contract to an SDVOB Prime Contractor for the first time, and the contract was in excess of \$4 million.

President Rodriguez reported that with respect to Public Financings, DASNY continues to meet its days to market goals. He summarized that DASNY has issued bonds on behalf of 4 existing clients; 2 bond issuances for new clients; 2 pooled financings; and one State supported debt financing. The President stated that the par value for those projects is approximately \$3.1 billion. He noted that the Public Finance team continues to monitor bond pricing and yields at the time of sale and in the secondary markets in order to ensure that we are pricing fairly.

With respect to workforce metrics, President Rodriguez stated that as of September 30, DASNY has 481 permanent salaried employees, 346 of whom have undergraduate degrees; 127 possess graduate or advanced degrees; and 110 employees possess a total of 158 professional certifications and licenses. He reported that employees received a total of 4,415 hours of training and professional development and emphasized that our employees are critical to DASNY's success.

President Rodriguez informed the Members that yesterday, DASNY arranged for a Technical Assistance Webinar for Veterans Organizations to assist them in pre-qualifying in the State Financial System. He stated that DASNY plans to hold another webinar for other nonprofit entities as well. The President further stated that DASNY is releasing a Request for Applications for the

7th competitive round of HECAP funding in mid-December. He noted that approximately \$85 million is available to award to Private Colleges and Universities for capital projects.

President Rodriguez reminded the Members that the Annual Project Sunlight training materials are included in the Board Book. He stated that completion of this training is a requirement of the Public Integrity Reform Act of 2011 and asked the Members to notify Monica Norris in Counsel's office once they have completed it.

President Rodriguez stated that DASNY's Public Finance Diversity Fellows, Justin Gong and Mujtabaa Habibulla, have completed their 6-month tenure at DASNY and he thanked them for their hard work. He announced that for the second phase of their fellowship, Mr. Gong will be going to JP Morgan Securities and Mr. Habibulla will be working at Ramirez & Company. He wished them much success on the next part of their assignment and thanked the Public Finance team for making this partnership and this fellowship so rewarding. The President recognized Alex Sirdine for his mentorship of the Fellows.

President Rodriguez introduced Carrie Torres as DASNY's new Director of Opportunity Programs, the position formerly held by Michael Clay prior to his retirement. He stated that Ms. Torres most recently served as Vice President at HCR, where she focused on affordable housing and home ownership. The President noted that Ms. Torres also served on the Governor's Interagency Taskforce on Health, Equity, Diversity and Inclusion, and previously worked at NYCHA as well. He stated that Ms. Torres is well underway on a number of the initiatives and looks forward to expanding DASNY's partnership with MWBE firms across the State. The President informed the Members that he looks forward to hearing from Ms. Torres at a future Board Meeting. He then introduced Ms. Catherine Louie, Legal Fellow, who has joined DASNY's Office of Counsel as part of the Excelsior Fellows Program. The President informed the Members that Ms. Louie is a graduate of Cornell University, holds an MPA from Columbia, her law degree from Pace, and recently passed the Bar exam.

President Rodriguez directed the Members' attention to the Annual Board Action Chart included in the Board Materials. He noted that this chart sets forth the timing of the various items that must be reviewed and approved by the Board Committees and the Full Board for the 2025 calendar year.

President Rodriguez thanked Nadine Fontaine, General Counsel, for her service to DASNY over the past 3.5 years. He congratulated her on her appointment to the Court of Claims and expressed his confidence that New Yorkers will be well-served with Ms. Fontaine on the bench. The President stated that Ms. Fontaine has been integral to DASNY during her tenure. He further stated that she has been supportive of all facets of DASNY's work and has provided exceptional leadership in managing sensitive legal matters as well as day to day work. The President informed the Members that by using her expertise and experience from her time in the Chamber, she was able to defend DASNY's interests, and was a strong advocate for the organization. He noted that Ms. Fontaine's influence is apparent on many of DASNY's strategic decisions over the last few years, as she has helped the organization navigate a number of challenging situations and provided beneficial outcomes.

President Rodriguez then read from the Resolution before the Members for approval. He recounted that Ms. Fontaine joined DASNY in 2021 as General Counsel and has provided invaluable legal advice with respect to 54 issuances of DASNY bonds totaling \$24.3 billion; provided invaluable legal advice with respect to more than \$2.5 billion in Construction Awards on behalf of clients including the \$1.4 billion Life Sciences Public Health Laboratory project; and has been a zealous advocate for the MWBE and SDVOB compliance programs. President Rodriguez stated that through the adoption of the Resolution, the DASNY Board pauses to reflect and appreciate the dedication, commitment, leadership, integrity, and management skills that Ms. Fontaine has brought to us during her tenure. He wished Ms. Fontaine the best of luck in her future career. Various Members of the Board thanked and congratulated Ms. Fontaine for her service to DASNY over her tenure and wished her the very best for her next chapter.

Ms. Fontaine stated that she has enjoyed working at DASNY and her departure is bittersweet. She informed the Members that while she is excited to serve in her new judicial role, she will miss DASNY and has appreciated the opportunity to be General Counsel.

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

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 R. NADINE FONTAINE

Ms. Sullivan seconded the motion and the Resolution was unanimously approved.

Public Finance Report

Ms. Lee delivered the Public Finance Report and provided a brief market update. She stated that the total year-to-date new issuance volume for 2024 is approximately \$505 billion, up approximately 31% from last year’s comparable volume. Ms. Lee further stated that for this week, primary issuance is anticipated to be relatively high at approximately \$14.1 billion, while November’s volume was at \$24.7 billion, down 33% from 2023, as election-related uncertainty and fewer available pricing days kept volume low. She noted that investor demand remains strong with municipal bond funds reporting net inflows last week, marking the 22nd consecutive week of positive fund flows.

Ms. Lee informed the Members that tax-exempt bond yields improved across the curve on Tuesday with the 10-year AAA MMD decreasing by 3 basis points to 2.73% and the 30-year decreasing by 2 basis points to 3.57%. She reported that U.S. government bond yields were higher with both the 10-year Treasury yield and the 30-year Treasury yield increasing by 4 basis points to 4.23% points and 4.40%, respectively. Ms. Lee stated that since the November 6th Board meeting, the one-year MMD rate has decreased by 15 basis points, the 10-year MMD has decreased by 24 basis points, and the 30-year MMD has decreased by 26 basis points. During that same period, the 10-year Treasury yield decreased by 3 basis points and the 30-year Treasury yield decreased by 4 basis points.

Ms. Lee stated that DASNY is pricing the \$2.5 billion Sales Tax financing next Monday and Tuesday.

Financial Report

Ms. Ellis presented the Financial Report. She directed the Members' attention to the standing monthly financial report and quarterly treasurer's report. She then highlighted several aspects from the quarterly treasurer's report.

Ms. Ellis reported that the investment portfolio decreased by approximately \$2.6 billion, primarily due to the use of amounts previously provided by the State to defease bonds, payments to bondholders, and construction expenditures offset by new money bond issuances. With respect to MWBE participation, over 25% (\$616 million) in trades via phone solicitation went to an MWBE broker dealer firm with another 2% (\$47 million) going to SDVOBs. Ms. Ellis reported that on the electronic trading side, just under 30% (\$291million) were awarded to MWBEs, with no awards made to SDVOBs.

Ms. Ellis turned to the Mid-Year Financial Plan. She stated that internal operating expenses are projected to come in \$1.5 million over budget, due to the previously reported overruns in salary and health insurance expenses. She further reported that overall 2024-25 operating expenses, which includes pass-through expenses, is projected to come in \$0.5 million over budget, with the operating surplus expected to remain consistent with the adopted 2024-25 budget.

Geoff Arnold, Director of Budget and Operations, provided additional details. He stated that DASNY has prepared an update to the 2024-25 budget and financial plan summary that was adopted at the March 13, 2024 Board meeting. Mr. Arnold further stated that this update is part of the annual budget process required under the Public Authorities Reform Act of 2009. He reported that the updated 2024-25 expense projections show salary expenses are projected to come in \$1.5 million over budget, primarily due to increased hiring. Mr. Arnold noted that by year-end, the number of full time salaried DASNY employees is expected to reach 500. He stated that it is anticipated that some salary expenses associated with succession planning efforts will be allocated to reserve funds, which should lower the overrun.

Mr. Arnold further reported that Benefit costs are projected to come in \$0.5 million over budget, primarily due to increased participation for health insurance, while M&O expenses are projected to be \$0.6 million under budget, with utilities, legal fees, office supplies and computer services all projected to come in slightly under budget. He stated that pass-through expenses are projected to end up \$1.0 million under budget, primarily due to a post-employment benefit accounting entry, which is represented as an expense with an offsetting receivable for DASNY's public clients. Therefore, including pass through expenses, Mr. Arnold reported that DASNY is projected to be over budget by \$0.5 million.

Mr. Arnold stated that certain succession planning related expenses will be allocated to reserve funds to cover this projected budget overrun, and no budget amendment is being requested at this time. Mr. Arnold informed the Members that development of the 2025-26 proposed budget is currently underway and will be submitted to the Board by December 31, as required under the

Public Authorities Law, and presented at the January 2025 meeting. He noted that Board adoption of the 2025-26 operating budget will be requested at the March 2025 Board meeting.

Construction Report

Mr. Curro presented the Construction Report. He informed the Members that two new CUNY projects have been added to the DASNY portfolio: one at the College of Staten Island and one at the Queensborough Community College for a total value of \$10.7 million. Mr. Curro stated that five projects have been completed: one for CUNY at John Jay College, two for OPWDD (Finger Lakes DDSO and Sunmount DDSO), one OMH project at Mohawk Valley Psychiatric Center, and one at SUNY Buffalo University's Ellicott Welcome Complex Center. He noted that these five projects have a combined total value of approximately \$50 million.

Mr. Curro reported that year to date expenditures for the period ending October 2024 were \$520 million, compared to \$446 million for the same time period last year, an increase of \$74 million.

Mr. Curro directed the Members' attention to the project depicted on the cover of the monthly Construction Report. He stated that the photo depicts the roof system replacement project at the Brooklyn Children's Psychiatric Center. Mr. Curro informed the Members that the \$7.1 million project consisted of a roof replacement for three buildings, new lighting, and parapet walls. He stated that project design commenced in August 2018 and construction was completed in December 2024. He explained that the original contractor for the project failed to perform, so DASNY initiated support from the surety in order to complete the work.

Mr. Curro updated the Members on SUNY projects. He stated that the substantial completion date for the FIT project is now January 2025 and that FDNY is onsite today for fire alarm inspections which will continue into the middle of next week. Mr. Curro reported that work on the \$49 million gut renovation at Mohonk Residence Hall on the SUNY New Paltz campus continues and is scheduled to be completed in July. He stated that DASNY advertised for expressions of interest in connection with the 350-bed design-build project at SUNY Binghamton in September, and shortlisted firms received an RFP in November.

Mr. Curro reported that the next scheduled meeting with CUNY is December 12, 2024, and a heavy workload continues at various campuses.

With respect to OMH, the design-build contractor has mobilized at the Capital District Psychiatric Center to construct a temporary parking lot, which is required prior to demolition and replacement of the existing parking garage structure. Mr. Curro stated that, at the Western New York Children's Psychiatric Center, the temporary shoring scope of work for the undersized roof framing has been received and priced, the shoring scope commenced on December 2 and is expected to be completed within the next several weeks.

Mr. Curro reported that design continues on the \$1.7 billion DOH Life Sciences Lab Consolidation project. He reported that the Project Labor Agreement was approved by DASNY's Board and the IGMP is scheduled for receipt from the project's design-build contractor in January 2025.

Mr. Curro reported progress on recruitments. He stated that as recently as September, there were 44 open recruitments for 70 positions and that number is down 27 open recruitments for 50 open positions.

Mr. Curro stated that he expects to bring two Project Labor Agreements to the Board for approval at the January 2025 meeting. Both PLAs are with the Binghamton-Oswego BCTC and are necessary for upcoming projects for OMH and OPWDD.

Mr. Curro reported that project migration from the Contract Manager system to PMWeb is nearing completion, and almost 1,400 projects are housed in PMWeb at this time.

Mr. Curro stated that DASNY will be presenting at the Association of General Contractors Conference in Saratoga December 10 - 12, 2024. He further stated that the final 2024 quarterly meeting of Construction Division Leadership was conducted on Friday, November 1 and the next Quarterly Meeting is scheduled for February 6, 2025 in Albany.

Mr. Syverud asked for additional details regarding how the SUNY projects came in 11% under budget. Mr. Curro explained that public projects are funded at a certain level, but the contracted amount is sometimes less than the available funding based upon market conditions. He further explained that DASNY has seen more competition in recent projects as well which helps drive construction costs down.

EXECUTIVE SESSION

Ms. Snyder 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

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

Mr. Ronski moved that the meeting adjourn. Upon a second by Ms. Snyder, the meeting was adjourned at approximately 11:50 a.m.

Respectfully Submitted,

Sara Richards
Assistant Secretary