

Board of Directors Monthly Meeting

**Wednesday, April 27, 2022 | 12:00pm
Via Microsoft Teams & at 110 Watervliet Ave.**



CDTA BOARD OF DIRECTORS MEETING AGENDA

Wednesday, April 27, 2022 | 12:00pm | 85 Watervliet Ave and
via Microsoft Teams

Board Item	Responsibility	Page
Call to Order	Jayne Lahut	
Approve Minutes of Wednesday, March 30, 2022	Jayne Lahut	3
Committee Reports: (Action Items Listed)		
Board Operations Committee (04/13/2022)	Jayne Lahut	
Performance Monitoring/Audit Committee (04/20/2022)	Denise Figueroa	
<ul style="list-style-type: none">• Resolution 17 - Contract for Purchase of Paratransit Buses• Resolution 18 - Contract for Purchase of Antifreeze• Resolution 19 - Approve Procurement Manual• Resolution 20 - Approve Investment Policy		
Community and Stakeholder Relations Committee (04/20/2022)	Jackie Falotico	
Strategic and Operational Planning Committee (04/20/2022)	Michael Criscione	
Nominating Committee Report	Peter Wohl	
Chief Executive Officer's Report*	Carm Basile	
Board Member Comments	Everyone	
Upcoming Meetings		
Wednesday, May 25, 2022 at 12:00pm via Microsoft Teams and 85 Watervliet Avenue, Albany (Temporary Meeting Location)		
Adjourn		

* Indicates Material (Or Additional Material) Will Be Provided at the meeting or via email.

**CAPITAL DISTRICT TRANSPORTATION AUTHORITY
(And its Subsidiaries)
110 Watervliet Avenue, Albany, New York and Microsoft Teams**

MINUTES OF WEDNESDAY, MARCH 30, 2022 BOARD MEETING

MEMBERS PRESENT Jayme B. Lahut, Chairman
Michael J. Criscione, Vice Chairman
David M. Stackrow, Treasurer
Denise A. Figueroa Joseph M. Spairana, Jr
via Microsoft Teams: Mark Schaeffer, Secretary
Jaclyn Falotico
Peter D. Wohl

MEMBERS EXCUSED Georgeanna M. Nugent
Patrick M. Lance

OTHERS PRESENT Carmino N. Basile, Chief Executive Officer
Amanda A. Avery, General Counsel
Michael P. Collins, Vice President of Finance and Administration
Jaime Kazlo, Director of Corporate Communications
Philip Parella, Jr., Director of Finance
Lance Zarcone, Vice President of Operations
Vanessa Salamy, Executive Assistant
Thomas Guggisberg, Director of IT
Jonathan Scherzer, Director of Marketing
Jeremy Smith, Director of Facilities
via Microsoft Teams: Stacy Sansky, Director of Procurement
Ross Farrell, Director of Planning
Ethan Warren, Senior Planner
Kelli Schreivogl, Director of Human Resources
Jack Grogan, Director of Risk Management

CALL TO ORDER At 12:03 p.m., Chairman Lahut called the meeting to order and noted a quorum was present.

APPROVAL OF THE FEBRUARY 23, 2022 BOARD MEETING MINUTES

Motion – Ms. Figueroa
Seconded – Mr. Spairana
Carried Unanimously

RECOGNITIONS

Carm Basile and Chairman Lahut presented the following awards and members offered their congratulations:

- 25 Years – Ian Williams, Operator

COMMITTEE REPORTS

BOARD OPERATIONS COMMITTEE - Report from Chairman Lahut

Board Operations Committee met on Wednesday, March 16, 2022 at 9:15am at 110 Watervliet Avenue, Albany and via Microsoft Teams.

Administrative Discussion Items

- We reviewed the committee agendas for meetings held in March

- Lisa Marrello provided us with a detailed look at state budget negotiations. One house bills provide more operating assistance for transit systems across the state; we are thankful for the support from legislators and the governor. An on-time budget is expected – and we are hopeful of a good result for CDTA.
- Carm brought us up to speed regarding discussions with Glens Falls officials regarding their municipal system and what it might look like in the near future. There may be an opportunity for CDTA. More discussions to follow.
- We are starting a renovation project on the second floor at 110 Watervliet Avenue. Carpeting will be replaced, walls will be painted, with a needed refresh for 110. Contractors found asbestos behind the baseboards, so remediation is required.
- We will hold committee and board meetings for the next few months at 85 Watervliet Avenue. Technology is available to allow for a continuation of virtual attendance for anyone who cannot attend in person. A schedule of meetings for the next quarter has been distributed.
- Jayme Lahut will be assembling a Nominating Committee to develop a slate of officers for the 2022-23 fiscal year.
- The next meeting of the committee is scheduled for Wednesday, April 13, 2022 at 9:15am via Microsoft Teams and at 85 Watervliet Avenue.

PERFORMANCE MONITORING COMMITTEE - Report from Denise Figueroa

Performance Monitoring Committee met on Wednesday, March 23, 2022 at 12:00pm at 110 Watervliet Avenue, Albany and via Microsoft Teams.

Consent Agenda Items

Resolution No. 11 – 2022 – Approve Contract for Bus Shelter Purchase

- Our contract for bus shelters has expired and a new contract is needed. An Invitation for Bid was issued, and one bid was received from the incumbent, Brasco International. The IFB included shelter styles, quantities, and delivery schedules. Pricing is in line with prior contracts and staff is satisfied with Brasco. Staff recommends a contract to Brasco.
- The Authority hereby awards a three-year contract with two optional renewal years to Brasco International of Madison Heights, MI for a total contract value of \$1,547,500.

Motion – Mr. Spairana

Seconded – Ms. Falotico

Carried Unanimously

Resolution No. 12 – 2022 – Approve Contract for Bus Shelter Installation

- As a follow up to the last item, we need a contract to “install” shelters. An IFB was issued, and two bids were received. The low bidder was disqualified as not responsible. HMA Contracting was the only qualified bidder. HMA is the incumbent and have performed satisfactory work; Staff recommends HMA Contracting.
- The Authority hereby approves a three-year contract with two optional renewal years to HMA Contracting Corp. of Mechanicville for a total value of \$2,017,750.

Motion – Ms. Figueroa

Seconded – Mr. Criscione

Carried Unanimously

Resolution No. 13 – 2022 – Approve Contract for Scheduling Software Maintenance

- HASTUS software is used for fixed route scheduling. The proprietary maintenance contract includes software updates and issue resolution. Pricing represents a year over year increase of 2.5%, which is consistent with industry standards. Staff recommends a three-year sole source maintenance contract to GIRO for the HASTUS software system.
- The Authority hereby awards three-year contract to GIRO of Montreal, Quebec, Canada for an amount not to exceed \$875,294.

Motion – Ms. Falotico
Seconded – Mr. Spairana
Carried Unanimously

Resolution No. 14 – 2022 – Approve Contract for Farebox Purchase

- We need to purchase fareboxes for our Washington/Western BRT buses that will be delivered this fall. However, the farebox contract with SPX Genfare has expired. For continuity reasons, staff recommends a sole source contract for 16 fare boxes to SPX Genfare. The cost is fair and reasonable.
- The Authority hereby awards a contract to SPX Corporation of Elk Grove Village, Illinois for an amount not to exceed \$212,701.

Motion – Mr. Wohl
Seconded – Ms. Nugent
Carried Unanimously

Resolution No. 15 – 2022 – Approve Acceptance of NY State Funding

- We receive FTA funding from a variety of grant programs that requires NYSDOT to provide CDTA a 10% match to these funds. NYSDOT also provides two separate capital programs; the Accelerated Transit Capital and the Modernization and Enhancement Program.
- The Authority hereby approves the acceptance of \$9,916,003 in state funding for our 10% match; and 100% of the two NYS Capital Programs.

Motion – Ms. Nugent
Seconded – Mr. Spairana
Carried Unanimously

Investment Committee

- The Committee met on March 23, 2022 and a summary report was sent to the board after fiscal year-end reports were complete.

Administrative Discussion Items

- Mike Collins provided the Monthly Management Report. MRT has exceeded budget projections 11 straight months and continues its record-breaking run; we are \$5.6 million over budget YTD. Customer Fares and Rail Station revenue continue to recover and outperform forecasts; YTD they are 62% and 110% above estimates. Expenses improved in February and we are 1.4% under budget for the year. The YTD wage line remains over budget due to headcount challenges; but most other expense lines are under budget for the year. We are in a good financial position, and we anticipate a solid finish to the year.
- Chris Desany provided the Non-Financial Report. Ridership continues to improve; Total ridership is up 26% this month and 16% for the year. STAR ridership is up 33% for the month and 47% for the year. Fixed route on-time performance is 78%; STAR on-time performance is 75%. Missed remain higher than usual. Continued staffing issues are contributing to this uneven pattern, and

we expect this to continue for the next few months as we balance services and manpower. Preventable accidents are at 24 this month; and non-preventable accidents are at 17.

- Next meeting of the Committee is scheduled for Wednesday, April 20, 2022 at 12:00pm via Microsoft Teams and at 85 Watervliet Avenue.

COMMUNITY AND STAKEHOLDER RELATIONS COMMITTEE - Report from Jackie Falotico

- The Community and Stakeholder Relations Committee met on Thursday, March 24, 2022 at 11:15 am at 110 Watervliet Avenue, Albany and via Microsoft Teams.

Administrative Discussion Items

- Jon Scherzer presented on our new care share service, DRIVE that will serve the Capital Region beginning this summer. The pilot program will feature nearly 10 hybrid and electric vehicles as part of the DRIVE program. DRIVE will compliment CDTA's current menu of alternative mobility options, CDPHP *Cycle!*, FLEX and Scoot.
- Jon outlined the details of the program and service area which will be rolled out in a phased approach. Phase 1 will include several areas within Albany. Once the program matures, it will be rolled out into other areas within the Capital Region. Jon also reviewed pricing, branding and promotion of the program.
- Jaime Kazlo summarized the monthly Media Relations/Community Engagement report. CDTA earned 20 media placements in television, newspaper, and radio. Stories focused on installation of air purification systems across the entire fleet, expansion into Montgomery County, our partnership with the American Heart Association's Glow Red event, and several other community partnerships.
- Looking ahead, Jaime outlined upcoming events which include State of CDTA, Transit Worker Appreciation Day and the return of CDPHP *Cycle!* season 6.
- Next meeting of the Committee will be on Thursday, April 21, 2022 at 11:15 am via Microsoft Teams and at 85 Watervliet Avenue

STRATEGIC AND OPERATIONAL PLANNING COMMITTEE - Report from Jayme Lahut

The Strategic and Operational Planning Committee met on Thursday, March 24, 2022 at 12:00 pm at 110 Watervliet Avenue, Albany and via Microsoft Teams.

Consent Agenda Items

- Mr. Shaeffer made a motion to separate the Operating Budget and 5 Year Capital Plan. After a short discussion Board members unanimously agreed to split the two items into separate resolutions therefore separate votes.

Resolution No. 16 – 2022 – FY2023 Operating Budget Approval

- After several months of work, we have developed a spending plan for Fiscal Year 2022-23. The plan allows us to expand our service footprint, introduce innovative programs and to support technology initiatives that we are advancing.
- Most of the spending is for people; in fact, 70% of what we spend is for wages and benefits. This will continue as we work to attract more people to jobs at CDTA.
- Our funding streams have changed a bit and most of this is good news. Mortgage tax receipts continue to be healthy although we expect some slowing as the housing market cools. Customer and facility revenue rose steadily throughout last year, and we have budgeted for continued increases.

- The Authority hereby approves the FY2023 operating plan totaling \$114,349,217.

Motion – Ms. Figueroa
Seconded – Mr. Spairana
Carried Unanimously

Resolution No. 17 – 2022 – Approve the 5 Year Capital Plan

- The first year of the Capital Plan is funded with \$34 million from grants. About \$20 million will fund new buses. The remainder will be used for facility projects, IT infrastructure, and funding the refresh of Red Line equipment and amenities.
- The Authority hereby approves the five-year capital plan totaling \$329,581,704.

Motion – Ms. Falotico
Seconded – Mr. Criscione
Abstain – Mr. Shaeffer
Resolution Approved

- Next meeting of the Committee will be on Thursday, April 21, 2022 at 12:00pm via Microsoft Teams and at 85 Watervliet Avenue.

CHIEF EXECUTIVE OFFICER’S REPORT – Carm Basile

- The Chief Executive Officer provided his report for March 2022 (attached).

UPCOMING MEETINGS

- Subject to the call of the Chair, Chairman Lahut announced the following meeting date:
 - Wednesday, April 27, 2022 at 12:00pm via Microsoft Teams and at 85 Watervliet Avenue.

ADJOURNMENT

Motion – Mr. Wohl
Seconded – Mr. Spairana
Carried Unanimously

Respectfully submitted,

Jayne Lahut, Chairman

Dated: March 30, 2022

CHIEF EXECUTIVE OFFICER'S REPORT

As I prepare this report, the grass in front of our building is green, so spring is not far behind. It has been a long winter clouded by the Omicron variant that slowed us down. But through it all, the CDTA agenda remains full of new opportunities leading us on a clear path forward.

During the past six weeks, most our time has been spent on budget development and advocacy, particularly at the state level. We just finished a virtual press event with transit advocates and the Chairman of the Assembly Transportation Committee (William Magnarelli) where we talked about the transformation that is possible if better transit service is available. It has taken many years for us to find a common voice for our industry, and it looks like we have finally found the right formula. In that regard, we have the support of legislators regarding the need for more mobility and better connections throughout the state. Best of all, there is a realization that funding is critical to our success and with increases provided in one house bills, there is proof positive of the support for what we do.

As it stands today, the Governor's Executive Budget Request includes a 13% increase in state operating assistance for upstate systems (36% for downstate systems). It also includes \$2.3 million in operating assistance for CDTA to expand into Montgomery County. The senate one house bill includes a 36% increase in operating systems for all transit systems (MTA would get 24%) and an additional \$1 million for CDTA to expand into Montgomery County; the assembly has the same 36% increase in STOA and \$1 million for Montgomery County (our information is that the \$1 million in each one house is cumulative to bring the total to \$4.3 million). Additionally, there is more money for capital programs and money to expand the paratransit service area. The one house bills are not the same on all of this, but you can see the support for what we do. Negotiations are taking place and Lisa Marrello and NYPTA lobbyists are monitoring and reporting to us regularly.

I am pleased that we are presenting a balanced spending plan to the board for consideration. This comes after months of work by staff and members of the Strategic and Operational Planning committee. Special thanks to Jayme Lahut, Dave Stackrow and Mike Criscione who met with us regularly to talk about specific parts of the budget and the way we use resources. These strategic discussions were helpful and resulted in one of our best budget plans in my years at CDTA.

The spending plan, which is balanced totals \$114 million. More than 70% of the spending is on our people and this will accommodate an expansion of our footprint and services. It will allow us to introduce new mobility options (more bikes, more scooters and this year, cars). It also sets us up to begin service on our third BRT line in 2023. The plan recognizes a steady return of customers to our system and corresponding revenue. We welcome additional state operating assistance and will continue to use COVID-19 funds as stopgaps in revenue lines that are still recovering from the pandemic. The plan is strong, it is resilient, and it is flexible to allow for unforeseen issues and circumstances. The 5-year capital plan is fully funded in year one and it includes the innovative things that we want to introduce in years 2-5. Outstanding work by everyone involved.

We continue to develop a service plan for expansion into Montgomery County. The plan will require more bus operators, technicians, and support staff. It will include detailed operating and maintenance plans along with the use of technology to support service delivery. We are meeting with community leaders, school district officials and employers to understand the community and its requirements. At the same time, we are featuring the CDTA brand and the reputation of

our company to introduce ourselves to the people who need our mobility services. We anticipate a service start in the third quarter of 2022.

As we pass the two-year mark under the dark cloud of COVID-19, I am pleased that infections have slowed considerably; there were only three positive cases during March. We continue to encourage employees to protect themselves, their families and co-workers. We have relaxed the mask wearing requirement in our offices and meeting areas; however, employees and customers must wear a mask when onboard our buses. This continues to be a tender balance of customer service and operational reality.

After a pandemic-caused hiatus, our State of CDTA event returned. The event gives us an opportunity to invite partners to CDTA, to highlight the work we do and to showcase our equipment, our facilities, and our people. Our panel discussion focused on the importance of mobility connections throughout the region. It featured Universal Access and the ease of which our partners are adapting it to their environment and for their employees. The event is also an opportunity for us to unveil new initiatives – in this case, *DRIVE*, which is our new carshare program. The concept and the great branding captured attention and spun off lots of media opportunities. State of CDTA is another way that we tell our story and work to deepen our impact in the community.

This upcoming fiscal year will be filled with advocacy, outreach, and a strategic expansion of our footprint. By developing and deepening our partnerships we can strengthen our community impact and articulate the need for more and better mobility. As we expand into Montgomery County, introduce *Drive*, unveil Mobility Hubs, build new BRT lines, expand bikes and scooters, and consider new facilities, our messaging will continue to center on innovation and opportunity.

The CDTA agenda is driven by the people who work here. Their collective efforts make us go and I am proud of the work they do. We asked them to do more during the pandemic and they responded, now we are asking them to do even more as we advance an agenda that is different from others across our state – innovation sets us apart and it makes us who we are. Thank you to everyone for the work you do.

Performance Measures

Key Performance indicators for the company are included in our monthly reports. Data is for February; for perspective, we compare it to data from February 2021.

Total ridership was 890,000, 26% more than last February. Year-to-date, there have been 10.4 million rides on our system, 16% more than the same period last year. Our ridership is now 70% of what it was before the pandemic began (February 2020). STAR ridership was 22,080, 33% more than last February; Northway Express ridership was 3,700, two times what it was last February, but still well below what it was before COVID-19 started.

As we approach the end of the fiscal year, our company is in excellent financial condition. The pandemic forced us to think differently and use new sources of revenue to offset reductions in other areas. We could do this because our financial footing was strong enough to carry us through tough times. The infusion of federal relief funds was extremely helpful and supported our operation during the leanest periods of COVID-19. The collective efforts of our staff to develop financing scenarios guided us and made our company stronger and more resilient. This work was the foundation for our 2022-23 spending plan, which is ready for board adoption.

For February, MRT receipts were \$1.1 million; we exceeded \$1 million in collections every month this year; year to date, MRT receipts total almost \$16 million. Customer revenue was \$1.4 million in February, and \$12.6 million year-to-date, 62% ahead of budget expectations. We have seen a steady increase in customer boardings throughout the year; rising fuel prices may spur another bump up. Facility revenue (mostly from the rail station) is also up. We collected \$143,000 in February; year-to-date we are at \$1.8 million, which is double our projections.

Total expenses for the month were 5% under budget; year-to-date, we are 1% under budget. Over 70% of our expenses are in the people lines (wages and benefits) and that drives the budget. Wages were down in February (because of the short month; one less payroll period). The Workers Compensation line was under budget because we received money for case recoveries. Two large settlement amounts drove the liability claims line over budget for the month. Finally, the utilities line spiked because of record prices for natural gas.

We missed 439 trips on the fixed route system; last February, we missed 35 trips. This continues to be a problem area for us, and we are working to add employees, improve retention and modify the service delivery complement to better align resources to demand.

There were 41 accidents in February with 24 of them preventable. Last February, there were 38 accidents with 21 of them preventable. All preventive maintenance inspections were done on time. Scheduled maintenance work was at 73%. On time performance for fixed route service was at 78%; last February, it was at 80%. STAR service operated within our 10-minute window 75% of the time; last February, it was at 87%. There were 9,100 calls to the STAR reservation center. Last February, January, there were 8,400 calls.

Our call center processed 231 comments compared to 155 last February. There were 51 comments about STAR; last February, we received 15 comments (reminder - we changed how we classify complaints about contractor services). Response time to close customer inquiries within 10 days was 90%. There were 578,000 page views at www.cdfa.org.

Activity Report

We are in the home stretch for budget season and our advocacy work. This requires a good deal of time and a constant recital of the work we do, the people we connect and the communities we serve. Hopefully, this will result in good news for transit systems across the state, and specifically for the needs of CDTA.

- On Thursday, February 24, I participated in a meeting with the NYPTA Rider Advisory Group. This group was created to add depth to advocacy efforts and provide a way for our partners to speak on behalf of transit systems throughout the state. The group shares messages about the work we do and how their constituencies depend on the connections we make.
- On Friday, February 25, I joined the NYPTA executive committee in a meeting with Senator John Manion. The Senator represents Syracuse and its western suburbs. We talked about the work we do and the need for additional operating assistance.
- On Friday, February 25, I attended a Meet the Legislators event sponsored by the Rensselaer County Chamber of Commerce. Senator Neil Breslin, Senator Daphne Jordan and Assemblyman John McDonald provided a glimpse into state budget work, priority setting and the journey back from the pandemic. Our Director of Corporate Communications, Jaime Kazlo moderated the discussion and did an outstanding job.

- On Tuesday, March 1, I led a NYPTA Town Hall meeting. The Town Hall gathered transit leaders and advocates to hear from legislators about funding for systems across the state. We heard from Senator Tim Kennedy who chairs the Senate Transportation Committee and Assemblyperson Amy Paulin who chairs the Committee on Corporations, Authorities and Commissions. Great discussion about our work to connect communities.
- On Tuesday, March 1, Lisa Marrello and I met with Senator Kennedy's staff to talk about the operating assistance we need to support expansion into Montgomery County.
- On Wednesday, March 2, I joined Matt Peter, Executive Director of the Albany Parking Authority in a meeting with Mayor Kathy Sheehan. We gave the mayor an update on efforts to develop an intermodal center in downtown Albany.
- On Thursday, March 3, I started my day in our Albany maintenance facility for our State of CDTA presentation. The garage was the perfect backdrop to highlight our work. Jayme Lahut kicked off the activities; thank you to him and board members who joined us in person or on our YouTube live stream. Special thanks to Jaime Kazlo and her team who organized the event. We received great feedback.
- On Thursday, March 3, I joined NYPTA execution committee members in a meeting with staff from Speaker Heastie's office. We talked about the needs of our systems and ways to fund the upstate account for operating assistance.
- On Thursday, March 3, I attended the quarterly meeting of CDTC's Policy Committee. The meeting highlighted the infrastructure work going on throughout the region (Port, the Airport, NYSDOT, the Thruway, CDTA and the municipalities across the region).
- On Friday, March 4, I spoke with a reporter from the Albany Business Review. We talked about FLEX service in Southern Saratoga County, prospects for expanding FLEX, and the rising cost of fuel (impact on CDTA).
- On Friday, March 4, I filmed a video piece that will be part of the Capital Region Chamber's Women of Excellence awards presentation. My piece was about Jaime Kazlo, the work she does at CDTA, the impact she has had on our organization and her development as a transit professional. Jaime will receive the Women of Excellence, Emerging Leader award in May. Very well deserved recognition.
- On Monday, March 7, I joined NYPTA executive committee members in a meeting with Assemblyman John McDonald. We have been engaging key legislators to ensure that they support funding levels that we are proposing. It was great to speak with one of our own legislators and hear his support for the work we do at CDTA.
- On Monday, March 7, Matt Peter and I met with Nivardo Lopez and his staff. Nivardo is the Governor's Deputy Secretary for Transportation. We briefed him on the Albany Intermodal Center and the work we have done to advance the project.
- On Wednesday, March 9, I chaired a meeting of the United Way's executive committee. We met to talk about real estate matters. The United Way owns a building on Washington Avenue Extension, and we are working to develop a path forward for the building.

- On Sunday, March 13 through Tuesday, March 15, I attended the APTA Legislative Conference in Washington, D.C. Lots of updates on legislation and funding related to transit and the infrastructure. We heard from members of Congress and leadership at USDOT and the FTA. Several board members attended the conference. Jaime Kazlo moderated a session on messaging and communicating the work the industry is doing to improve mobility. Great to see the CDTA team involved in this important work.
- On Tuesday, March 15, I joined NYPTA executive committee members in a meeting with staff from Senate Majority Leader Andrea Stewart-Cousins' office. We discussed the senate one house bill and the need for increased operating assistance and capital funds.
- On Wednesday, March 16, Mike Collins and I met with Maureen O'Brien and Eileen McCarthy from the New York State Industries for the Disabled. We talked about the services available through NYSID and ways that we might deepen our relationship.
- On Thursday, March 17, I chaired a meeting of the NYPTA legislative committee. We formulated our strategy for the stretch run in budget development.
- On Friday, March 18, we celebrated Transit Worker Appreciation Day. This is a national event that spotlights the work of transit employees. We organized activities to show our appreciation to the 735 men and women who work at CDTA. Great job by Jaime Kazlo and her team for making sure everyone enjoyed the day.
- On Monday, March 21, I welcomed 12 new employees to CDTA. The individuals started our bus operator training program and will be ready for service in 4-6 weeks. Hats off to our HR and training staff for getting seats filled and providing programs back-to-back for many months. This will not slow down as we continue to grow our network of services.
- On Monday, March 21, I met with NYPTA executive committee members to talk about state budget issues. We discussed operating assistance proposals, efforts to expand the coverage area for paratransit service, and meeting schedules for the next week or so.
- On Tuesday, March 22, Lance Zarcone and I met with Bob and Steve Brown. Brown Coach operates NX service for CDTA; we talked about ways to strengthen our relationship and opportunities to do more together.
- On Tuesday, March 22, I joined members of the NYPTA executive committee in a meeting with Assembly staff to talk about zero emission mandates. One house proposals include a mandate to zero emission vehicles. We talked about the NYPTA position on these matters and ways to work with state leaders to advance zero emission issues.
- On Wednesday, March 23, I joined the NYPTA executive committee in a meeting with staff from Assemblyman William Magnarelli's office. The assembly member chairs the Transportation committee; he supports our work and the need for increased funding.
- On Wednesday, March 23, I attended a Board of Trustee meeting at Christian Brothers Academy. The board meets five times a year; we talked about what is going on at school while reviewing enrollment numbers and the corresponding financial picture.

- On Friday, March 25, I joined the NYPTA executive committee members in a meeting with Senate Finance staff to talk about a legislative proposal to expand paratransit service areas. We talked about the need for this expansion, ridership increases, and the cost for service/trips.
- On Friday, March 25, I moderated a NYPTA Virtual Press Event. This featured Assembly Transportation Chair William Magnarelli and advocates from throughout the state. We had a good discussion about the needs of transit systems across the state. The Chairman reaffirmed his support for what we do and the need for more funding.
- On Saturday, March 26, my wife Sheila and I attended the annual CBA gala. A nice event with many of our community partners in attendance.

Final Thoughts

Over the past few years, we have introduced services and programs that make us better and stronger. We have also increased our work in the community to make CDTA a regional resource. The work that I highlight in this report is due to the resolve and commitment of our employees, staff and board members who make CDTA go. Thank you.

CDTA Provides Mobility Solutions that Connect the Region's Communities

**CAPITAL DISTRICT TRANSPORTATION AUTHORITY
RESOLUTION No. 17 - 2022**

Authorizing the Purchase of Six Paratransit Buses Pursuant to the Existing
Contract with Shepard Brothers (Coach & Equipment)

WHEREAS, the Capital District Transportation Authority (the “Authority”) is charged by
by
Title 11-C of the Public Authorities Law with providing omnibus transportation within the
Capital District transportation district, and

WHEREAS, the Capital Improvement plan of the Authority calls for the replacement of
paratransit buses which have reached the end of their useful lives, and

WHEREAS, by way of Resolution 03-2022, the Authority awarded a competitively-bid
paratransit bus contract to Shepard Brothers (Coach & Equipment) of Canandaigua, New York,
and

WHEREAS, the Authority now desires to authorize the purchase six (6) paratransit
vehicles to replace paratransit vehicles which have reached the end of their useful life, and

WHEREAS, the price per vehicle shall be \$88,000, for a total contract purchase of
\$528,000, with delivery expected in February, 2023.

NOW, BE IT RESOLVED:

1. The Authority hereby authorizes the purchase of six (6) paratransit vehicles from Shepard Brothers (Coach & Equipment) of Canandaigua, New York, for a total cost of \$528,000, subject to acceptance and satisfaction of all contract terms and requirements.
2. The Chief Executive Officer is hereby authorized to execute the necessary documents.
3. The source of funds for this purchase shall be the FY2023 Capital Plan.
4. This Resolution shall take effect immediately.

CERTIFICATION

The undersigned, duly elected and acting as Secretary of the Capital District Transportation Authority, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Capital District Transportation Authority held on the 27th day of April, 2022.

Dated: April 27, 2022

Jayme Lahut, Chairman

Capital District Transportation Authority Agenda Action Proposal

Subject: Purchase six Paratransit buses from Shepard Brothers (Coach & Equipment).

Committee: Performance Monitoring/Audit

Committee Meeting Date: April 20, 2022

Board Action Date: April 27, 2022

Background:

In January of 2022, the Board awarded a contract for the purchase of paratransit vehicles to Shepard Brothers of Canandaigua, New York.

Purpose:

Each year we replace an equal number of vehicles that have reached the end of their useful life for paratransit service.

Summary of Proposal:

Staff recommends the purchase of six vehicles from Shepard Brothers to replace vehicles that have reached the end of their useful life. The price per vehicle is \$88,000 including painting and branding.

The vehicle model is a Coach & Equipment body on a Ford chassis, powered by a 6.2L gas engine. Upon Board approval, the order will be placed with vehicle delivery expected in February 2023.

Financial Summary and Source of Funds:

The vehicle price per unit is $\$88,000 \times 6 = \$528,000$. This purchase is funded through the FY2023 Capital Plan.

Prepared by: Stacy Sansky, Director of Procurement

Project Manager: Lance Zarcone, VP of Operations

Memorandum

Date: April 20, 2022

To: Performance Monitoring/Audit Committee

From: Lance Zarcone, Vice President of Operations

Subject: Paratransit Bus Acquisition

Background:

On January 26, 2022, the Board awarded a five-year contract to purchase Paratransit vehicles from Shepard Brothers Inc. (Coach & Equipment) of Canandaigua, New York. This will be the first order of vehicles purchased from this contract. The useful life of these vehicles is 5yrs/150,000 miles.

The vehicles feature a Coach & Equipment manufactured body on a Ford chassis powered by a 7.3L gas engine. The bus has a 158” wheelbase with several seat options that holds up to four wheelchair passengers and includes an upgraded wheelchair lift. In addition, the buses will have cameras, active air purification, and mask dispensers installed.

These buses will replace an equal number of STAR vehicles that have reached the end of their useful life with delivery anticipated in February 2023.

Recommendation

Staff recommends the purchase of six Paratransit vehicles from Shepard Brothers.

Copy: Chief Executive Officer
Director of Procurement

**CAPITAL DISTRICT TRANSPORTATION AUTHORITY
RESOLUTION No. 18 - 2022**

Awarding Contract for Purchase of Antifreeze

WHEREAS, the Capital District Transportation Authority (the “Authority”) is charged by title 11-C of the Public Authorities Law with providing omnibus transportation within the Capital District transportation district, and

WHEREAS, the Authority is authorized by Public Authorities Law section 1306 to enter into contracts for the purchase of goods and services to meet its transportation objectives, and

WHEREAS, after solicitation of competitive bids for the purchase of antifreeze for its fleet of buses, one bid was received from the incumbent provider, and

WHEREAS, after review of pricing, the Authority has determined the proposed price to be fair and reasonable and is further satisfied that the procurement was not overly restrictive, and now recommends the award of the antifreeze contract to Solvents & Petroleum Service of Syracuse, New York, and

WHEREAS, the estimated year-one value of the contract is \$105,000 and the year-two value estimated at \$105,000, with a total estimated cost of \$210,000, with actual costs varying slightly based upon usage.

NOW, BE IT RESOLVED:

1. The Authority hereby awards a one-year antifreeze purchase contract with one optional renewal year to Solvents & Petroleum Service of Syracuse, New York, for a total two year contract cost estimate of \$210,000, subject to acceptance and satisfaction of all contract terms and requirements.
2. The Chief Executive Officer is hereby authorized to execute the necessary documents.
3. The source of funds for this purchase will be the FY2023 and FY2024 Operating Budgets.
4. This Resolution shall take effect immediately.

CERTIFICATION

The undersigned, duly qualified and acting as Secretary of the Capital District Transportation Authority, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Capital District Transportation Authority held on 27th day of April, 2022.

Dated: April 27, 2022

Jayme Lahut, Board Chairman

Capital District Transportation Authority Agenda Action Proposal

Subject: Purchase Antifreeze from Solvents & Petroleum Service of Syracuse, New York

Committee: Performance Monitoring/Audit

Committee Meeting Date: April 20, 2022

Board Action Date: April 27, 2022

Background:

The current contract for Antifreeze has expired and a new contract is required. Antifreeze is a vital liquid to help maintain engine life.

Purpose:

Antifreeze is a necessary maintenance component in preserving engines.

Summary of Proposal:

An Invitation for Bids was issued for the purchase of antifreeze. A single bid was received from Solvents & Petroleum (the incumbent) to provide antifreeze for two years. Generally, we do not receive many bids for antifreeze because of the high volume of product required by this contract. The procurement was widely advertised, including on our website. Staff determined that the procurement was not too restrictive, and that competition was encouraged.

The scope of work required a product that was approved for Cummins engines to improve performance and ensure that engines remain under warranty. This product represents a 50% price increase for the cost of antifreeze. Staff reviewed pricing and compared it to other transit systems. The price of \$8.75 per gallon was similar to what our peers pay and we find the price to be fair and reasonable. Staff recommends a contract to Solvents & Petroleum (the incumbent) for the purchase of antifreeze. Upon Board approval staff will execute a one-year agreement with one optional renewal year.

Financial Summary and Source of Funds:

The total contract value is estimated at \$210,000. Actual costs will vary slightly based upon usage. A breakdown of costs by year is below:

Year 1: \$105,000

Year 2: \$105,000

This purchase will be funded in the FY2023 and FY2024 operating budgets.

Prepared by:

Stacy Sansky, Director of Procurement

Project Manager:

Lance Zarccone, VP of Operations

Memorandum

Date: April 20, 2022

To: Performance Monitoring/Audit Committee

From: Lance Zarcone, Vice President of Operations

Subject: Antifreeze

Background:

Most automotive engines use antifreeze (engine coolant) to help maintain proper operating temperature. This additive controls corrosion and protects against pitting and surface scaling, and also extends engine life. The antifreeze is delivered as a pre-mix, ensuring mixture consistency to help preserve engines in extreme weather conditions.

The engine manufacture, Cummins, has a new requirement specifying that antifreeze must be approved to maintain their warranty. This new requirement will increase cost by about 50%.

An Invitation for Bids (IFB) was issued for a term of up to two years.

Recommendation:

Staff recommends a one-year contract with one optional renewal year be awarded to Solvents & Petroleum Service of Syracuse, New York, at the estimated amount of \$210,000. The actual price is based on usage.

Copy: Chief Executive Officer
Director of Procurement

**CAPITAL DISTRICT TRANSPORTATION AUTHORITY
RESOLUTION NO.: 19 - 2022**

Approve Procurement Manual

WHEREAS, the Capital District Transportation Authority (“Authority”) is a New York State Public Authority whose members are appointed by the governor of the State of New York; and

WHEREAS, the Public Authorities Law of the State of New York, section 2879, requires that Authority adopt and annually approve by resolution, comprehensive guidelines detailing the operative policy and instructions regarding the use, awarding, monitoring and reporting of procurement contracts for the purchase of goods and services; and

WHEREAS, the Authority’s Procurement Manual has undergone annual review, with only minor changes recommended at this time, and

WHEREAS, the Authority’s Procurement Manual, as revised, has been found to conform to both the needs of the Authority and the requirements set forth in the Public Authorities Law, and

WHEREAS, after discussion, the Authority now recommends the approval of the revised Procurement Manual, as attached hereto.

NOW, BE IT RESOLVED:

1. The CDTA Procurement Manual, dated April 20, 2022 is approved and adopted.
2. This Resolution shall take effect immediately.

CERTIFICATION

The undersigned, duly elected and acting as Secretary of the Capital District Transportation Authority, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Capital District Transportation Authority held on the 27th day of April, 2022.

Dated: April 27, 2022

Jayme Lahut, Board Chairman

Capital District Transportation Authority Agenda Action Proposal

Subject: Approve updated Procurement Manual

Committee: Performance Monitoring/Audit

Committee Meeting Date: April 20, 2022

Board Action Date: April 27, 2022

Background:

The New York Public Authorities Law section 2879 requires that public authorities review their procurement guidelines on an annual basis.

Purpose:

Each year staff reviews the procurement manual to ensure it meets our needs.

Summary of Proposal:

The Procurement Manual provides a blueprint to internal and external stakeholders for procuring goods and services that conforms to CDTA, Federal and State regulations.

The Procurement Manual was provided to General Counsel, Internal Audit and Finance for feedback on proposed changes. The attached memo outlines the proposed changes to the Procurement Manual.

Financial Summary and Source of Funds:

No impact

Prepared by:

Stacy Sansky, Director of Procurement

Project Manager:

Stacy Sansky, Director of Procurement

Procurement Manual Attached Separately

Memorandum

April 20, 2022

To: Performance Monitoring/Audit Committee

From: Stacy Sansky, Director of Procurement

Subject: Procurement Manual Updates

Overview:

The Procurement Manual provides a blueprint for how goods and services are procured at CDTA. The manual provides easy to understand guidance that conforms to CDTA, Federal and State regulations. It is reviewed annually to ensure compliance and conformance with common business practice.

Background:

There were no substantive changes for the Procurement Manual this year. Last year, staff committed to making the Manual more succinct.

Procurement Manuals for other New York transit systems were reviewed for style and content. As a result, several updates were made, none of which change the way CDTA procures goods and services. The changes are outlined below:

- The Manual was long and appropriate changes were made. Several factors attributed to the reduction in size:
 - The Manual was rewritten with uniform formatting.
 - The Petty Cash Policy was removed; it will continue to be maintained with other financial policies.
 - The annual procurement update provided each January was removed because it is a report and not a tool used to procure items.
- Definitions Pg. 8: **Advertisements** -updated to include minority focused publications
- Definitions Pg. 10: **MBE/WBE** - combined into one definition to avoid repetition.
- General Procurement Guidelines/Responsibilities Pg. 14: **Vice President of Finance and Administration**-Added “or designee”, while the functions described are performed by the Finance Department, they are not necessarily performed by the Vice President of Finance and Administration.
- Appendix 2 **Prompt Payment Policy** Pg 39-The sentence “Contractor invoices covering labor on public work contracts must include complete and accurate certified payrolls.” was added.

Copy: Chief Executive Officer
VP of Finance & Administration

**CAPITAL DISTRICT TRANSPORTATION AUTHORITY
RESOLUTION No.: 20 - 2022**

Annual Review and Approval of Investment Policy

WHEREAS, the Public Authorities Law, section 2925 requires that the Authority by resolution adopt comprehensive investment guidelines which detail the Authority's operative policy and instructions to officers and staff regarding the investing, monitoring and reporting of funds of the Authority, and

WHEREAS, the Investment Policy is reviewed and approved by the Authority on an annual basis, and

WHEREAS, after review and discussion, the Authority now recommends the adoption of the Investment Policy, as attached.

NOW, BE IT RESOLVED, that the Investment Policy for the Capital District Transportation Authority dated April 27, 2022 be approved and adopted in its entirety.

CERTIFICATION

The undersigned, duly qualified and acting as Secretary of the Capital District Transportation Authority, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Capital District Transportation Authority held on 27th day of April, 2022.

Dated: April 27, 2022

Jayme Lahut, Board Chairman

Capital District Transportation Authority Agenda Action Proposal

Subject: Annual approval of the CDTA Investment Policy

Committee: Performance Monitoring/Audit

Committee Meeting Date: April 20, 2022

Board Action Date: April 27, 2022

Background:

The New York State Public Authorities Law Article 9, Title 7 requires public authorities to review and approve their Investment Policy on an annual basis. This is a routine action.

Purpose:

The Performance Monitoring/Audit Committee is required to review and approve the CDTA Investment Policy on an annual basis. This policy details the rule for investing, monitoring, and reporting of funds for CDTA.

Summary of Proposal:

The Investment Policy (IP) is attached for review. General Counsel reviewed it and appropriate laws for any changes and does not recommend adjustments at this time. Our Investment Advisor, Hugh Johnson Advisors also reviewed it and does not recommend any changes.

Based on these reviews, it is recommended that we approve the IP for another year with no changes.

Financial Summary and Source of Funds:

No financial impact

Prepared by:

Mike Collins, VP of Finance & Administration

Project Manager(s):

Mike Collins, VP of Finance & Administration

Amanda Avery, General Counsel

April 27, 2022

**INVESTMENT POLICY
CAPITAL DISTRICT TRANSPORTATION AUTHORITY**

These guidelines detail the operative policy regarding the investing, monitoring and reporting of funds of the Capital District Transportation Authority (the “Authority”).

1. Purpose

- a) Establish a policy whereby current funds, in excess of immediate needs are invested to earn a reasonable rate of return while safeguarding the principal amount.
- b) Assure that invested funds are diversified and adequately safeguarded. The investment portfolios will, at all times, be diversified. No single issuer will represent more than 5% of a given portfolio. There is no limitation for the debt of the US Government or one of its agencies, except that the debt of a single agency will not represent more than 50% of a given portfolio. Certificates of deposit issued by a single bank are limited by the legal maximum for FDIC insurance.
- c) Assure that adequate accounts and records are maintained which accurately reflect all transactions.
- d) Assure that an adequate system of internal control is maintained.

2. Authorization and Management

All investment decisions are to conform to:

- a) Section 1306 (4) of the Public Authorities Law of the State of New York,
and
- b) Article 9, Title 7 of the Public Authorities Law of New York,
- c) 2 NYCRR § 201.1, *et seq.*

The Board may retain at the recommendation of the Performance Monitoring/Audit Committee (“Committee”) one or more investment advisors, which meet the Authority’s qualifications and grant the advisor discretion to execute transactions within the context of these policies. The advisor (s) will be expected to act as a fiduciary at all times in the best interest of the Authority.

3. Types of Investments

The permissible types of investments (“Permitted Investments”) are as follows:

- a) Certificates of Deposit issued by banks which are members of the Federal Deposit Insurance Corporation (FDIC). Certificates of Deposit of qualifying banks may also be purchased from Broker/Dealers licensed to conduct business in New York State which are members of the Securities Investors Protection Corporation (SIPC) and the Financial Industry Regulatory Authority (FINRA).
- b) Deposits in “Money Market” accounts in banks specified in Item (a) above.
- c) Money Market Funds that invest exclusively in obligations of the United States Government or one of its agencies, except that up to 1% of each investment account may be held in a conventional money market fund provided that the fund holds more than \$500 million in assets and the sponsor is a substantial and well regarded financial institution with no less than \$1 billion of equity capital. Further, the principal objective of the fund must be preservation of capital. The purpose of this exception is to accommodate relatively small amounts of cash that are not invested and not substantial enough to qualify for a specialized Government-only fund.
- d) Obligations of New York State, the United States Government, or Agencies of the United States Government. Obligations guaranteed, as to principal and interest, by one of these entities is also permissible.
- e) The primary investment objective is the protection of principal. All bank deposits of money should be fully collateralized or insured (e.g., FDIC insurance).

Each purchase must be confirmed in writing and be made in accordance with the provisions of this Investment Policy.

4. Operating Procedures

- a) The investment selection process shall utilize competitive quotations or negotiated prices, except in the purchase of federal government securities at auction.
- b) Approvals: The Vice President of Finance & Administration shall approve all investment transactions, and report investment transactions to the Chief Executive Officer. The process of initiating, reviewing and approving requests to buy and sell investments shall be documented and retained for audit purposes. The Investment Committee Chairperson, the Vice President of Finance & Administration and the Chief Executive Officer (when necessary) will meet with any and all retained investment advisors no less than twice per year to review and approve the portfolio holdings.

- c) Collateral Custody: The custodian of all collateral involved in any investment transaction must be either the Authority or a Third-Party Bank or Trust Company acceptable to the Authority. Such Bank may not be the same as that with which the investment is made. The custody agreement must be joint with the Bank providing the collateral.

If, at any time during the term of a Certificate of Deposit or deposit in Money Market Account, the collateral or underlying security market value does not equal the principal value of the investment, the Authority shall inform the Bank of the additional collateral required. If additional collateral is not added immediately by the Bank involved, the Authority shall demand the return of the amount invested and remove such Bank from the list of approved Banks for investment and deposit of Authority funds.

Any custodian or trustee of securities in any transaction to which the Authority is a principal may not relinquish control over such securities without the written consent of the Authority and the Investment Manager.

- d) If a Bank or Investment Broker/Dealer is operating as an agent for another Bank or any of its customers, such information must be disclosed to the Authority. To the extent the Board has retained an investment advisor, the advisor will act solely as agent on behalf of the Authority. The Advisor(s) may act as the Principal in a transaction only if it is authorized in writing by the Performance Monitoring/Audit Committee.

- e) In addition to the normal entries in cash receipts, cash disbursements and general ledger regarding investments, the following additional records shall be maintained.

- 1) A schedule for each Bank or Investment Broker/Dealer with which the Authority makes investments, maintained by the Accountant, showing:

- a. Date of transactions
- b. Description and amount of investment
- c. Interest rate
- d. Due date of CD, or Bond
- e. Market value of collateral or investment security
- f. Indication of at least monthly recheck of market values

- f) Investments may be made by a telephone call. If the investment is a Certificate of Deposit (CD) that is eligible to be traded and cleared through the Depository Trust Company (DTC), it will be delivered directly to the custodian by the bank or broker/dealer. If the CD is not DTC eligible, such Certificate shall be mailed to the Authority or, if feasible, picked up by an agent of the Authority. The Vice President of Finance & Administration will immediately contact the designated custodian or trustee of the collateral for such investments, requesting telephone confirmation of deposit of collateral and receive from custodian a written instrument requiring the Authority's agreement before custody may be relinquished. In practice, Banks will usually deposit a certain amount of securities for a specified period of time, equal to the probable maximum amount the Authority would be investing during such

period, i.e., a month or ninety days. CDs that are fully insured by the FDIC (principal and expected interest) are not required to be collateralized. If authorization is initially given verbally, it shall be followed by written confirmation.

- g) Payment of funds shall only be made upon delivery of securities.
- h) A record of investments shall be maintained. The records shall identify the security, the fund for which held, the place where kept, date of disposition and amount realized, if required, and the market value and custodian of collateral.
- i) Custodians of deposits and money market accounts shall be required to report monthly or more frequently on activity occurring in the Authority's custodial account to the Accountant. There shall be monthly verifications of both the principal amount and market values of all investments and collateral. Listings shall be obtained from the custodian and compared against the Authority's records.
- j) The Authority requires the custodian to send verification of securities held for the Authority whenever requested to do so by the Authority.
- k) The Vice President of Finance & Administration is authorized to deposit all funds received by the Authority in Money Market Accounts or Certificates of Deposit with Banks or Investment Broker/Dealer doing business in New York State, which are members of the FDIC; the SIPC and FINRA; and/or registered with the SEC and that have also expressed an interest in receiving requests for bids, consistent with these guidelines.
- l) The report of the status of all investments will be submitted by the Deputy Comptroller at least quarterly to the Chief Executive Officer and the Board Members of the Authority.

5. Collateralization

- a) Investments requiring collateralization must be fully collateralized by US Government obligations, or obligations guaranteed by a US Government entity.
- b) The collateral for a CD or Money Market Fund Deposit must equal the investment principal at all times.
- c) Market values of items mentioned in b) above will be checked by the Deputy Comptroller at least monthly to a nationally recognized financial publication.
- d) Investments in Certificates of Deposit and Money Market Accounts are limited to FDIC insurance limits, unless collateralized.

6. Review of Investment Guidelines and Audit Procedures

- a) These guidelines shall be reviewed by the Performance Monitoring/Audit Committee annually and revised as necessary to reflect changes in market conditions or legal requirements.
- b) An annual independent audit shall be conducted in accordance with the provisions of Article 9, Title 7 of PAL and 2 NYCRR § 201.1 *et seq*
- c) Collateral shall be verified monthly, if held by the Authority, by Members of the Performance Monitoring/Audit Committee. If held by a Bank, confirmation from such Bank will be given to Committee.
- d) The Authority shall maintain an internal control structure designed to protect the Authority's investment assets from loss, theft, and misuse.

7. Evaluation and Reporting

- a) An annual independent audit shall be performed by the Authority's independent accountants to evaluate investment program compliance. The annual audit report shall be filed within 90 days after the close of the Authority's fiscal year with the Office of Budget and Policy Analysis of the Office of the State Comptroller.
- b) The Authority shall prepare an annual investment report which shall be submitted to the Division of the Budget, with copies to the Office of the State Comptroller, the Senate Finance Committee, and the Assembly Ways and Means Committee.

8. Settlement of Securities Transactions

All purchases of securities by or on behalf of the Authority will be settled "delivered vs. payment", meaning that purchased securities will not be paid for until they are presented physically or electronically at the custodian by the seller or his agent.

9. Criteria for Selection of Investment Banks or Firms and Brokers

The Authority shall maintain a list of approved financial institutions and a list of approved security broker/dealers. As market conditions change, the Authority may find it necessary to place investments directly with Investment Banks or Firms and Brokers. The following are criteria for the selection of Investment Banks or Firms and Brokers:

- a) Investment Banks or Firms and Brokers authorized to do business within New York State.
- b) Investment Banks or Firms and Brokers in business for over (5) five years.
- c) Investment Banks or Firms and Brokers which have invested over \$500,000,000 in assets for their clients at the time of any investment made by the Authority.
- d) Investment Banks or Firms and Brokers that have demonstrated a proven record of returns, that meet or exceed the yield and total return generated from Treasury benchmarks.

- e) Investment Managers/Advisors must be registered with the Securities and Exchange Commission (SEC) while Investment Brokers/Dealers must be members in good standing with the Securities Investors Protection Corporation (SIPC) and the Financial Industry Regulatory Authority (FINRA).

All the foregoing sections of the Investment Policy that pertain to banks shall apply to Investment Broker/Dealers.