

**MINUTES**  
**ALBANY PARKING AUTHORITY MEETING**  
**April 25, 2008**

Chairman Kevin O'Connor called the meeting of the Board of Directors to order at 8:32 am in the Authority office at 655 Broadway. Other Board Members in attendance were Christine Miles, William Pettit III, and Margaret DiGiulio. Also present were Executive Director Michael Klein, Jim Linnan, APA Counsel, John Reilly, Corporation Counsel, and Aaron Flanger and Bill Trudeau of the Albany Police Department.

Approved minutes of the March 27, 2008 meeting: motion Bill Pettit, second Chris Miles; passed 4-0.

At March's close, 25.00% through the year, revenue totaled \$1,562,995 and this was 24.24 percent of budget. Expense was \$1,192,638 or 18.48 percent of budget; this included a debt service principle and interest payment of \$513,553 and this was 21.46 percent of budget. There were no extraordinary expenses, however the recent downward movement of interest rates has decreased interest income and increasing fuel prices appear to be exerting downward pressure on some parking demand.

The Executive Director provided a written report with the current status of the APA – summary follows:

Finances: Challenging start with revenue lagging but expenses well controlled  
Staff: NY Wired training Internet access solution making progress; Monthly management meeting focused on spring cleaning, landscaping, washdown planning; E. D. and Meter/Maintenance Manager attended Parking Industry Exhibition; E.D working with NYSPA Board to create teambuilding training and annual conference  
Economic Development:: Significant time and meetings devoted to project opportunities in conjunction with ALDC and developers; Two mixed use development projects in planning stages; Meetings with WAMC, C-BID, Saratoga Associates and stakeholders regarding A&E district  
Facilities: Eleven new lots opened!!!; Plans and bid for summer 2008 garage renovation project completed; WAMC cameras functioning well; Office modification completed in-house and dramatically below budget; Central lot ballast replacement by National Grid pending - follow up via DGS to National Grid  
Meters: Nine new multi-space meters up and running!!!; Met with Chief and Commander and discussed enforcement and meter agreement; Reviewing pay by cell phone technology  
Marketing: Soft opening of new lots implemented; WAMC promotional package in process; Quackenbush garage signage package pending packet completion and board input; Garage advertising with Marquis Media pending, and planning to investigate alternatives  
Legal: Public Authority Act continues to demand time; Pumpstation Quackenbush lot use contract in process; Meter MOU Addendum in process  
Interagency Coordination: ACCA – minimal; ACCVB – moderate; APD – moderate; ALDC – high; BIDs – high; CDTA – moderate; City Hall – minimal; Common Council – minimal; DOT – moderate; OGS – minimal; Palace Theatre – minimal; Special Events – moderate

Due to recent economic trends associated with capital markets and the sub-prime crisis a refinancing update & briefing was provided by Ned Flynn, Shawn Sinel, Rick McCarthy, John Mineaux, and Adam Meyers. The forward starting swap for 2011 was the primary discussion. Pursuant to a Forward Purchase Agreement, Dexia has committed to buy the series of 2011 bonds on a variable rate basis with an interest rate swap to be governed by a swap agreement (the "Swap Agreement"). XL Capital is to be the bond insurer for credit enhancement, and while XL still meets specified requirements they are at the minimum rating under the Swap Agreement. Bond counsel's opinion is that although the Swap Agreement, as a form document adapted for the forward purchase, is in present time phraseology, a number of its requirements are prospective and only have meaning and relevance in 2011 at the time of the issuance of the bonds. As a result, careful monitoring is in order, timing will be critical and, should conditions warrant, communication with XL and Dexia may be desirable. While interest rates are low the APA potentially has exposure to Dexia under a scenario involving early termination of the Swap Agreement but if interest rates increase, it would be favorable for the APA. It was also discussed that in order to take a conservative approach, it may make sense to unwind the forward delivery at par. It was noted that the APA has benefited by a net, net present value of about \$660K from the 2007 and anticipated 2011 portions of the refinancing, and so even though low interest rates diminish the net savings, it has still been a beneficial refinancing. Careful monitoring will be ongoing and the board will be briefed regularly. APA counsel complemented the Chairman and Executive Director for exceeding their fiduciary responsibility and that transparency, communication, and coordination have been very good.

Due to reduced revenue performance expenses are being reduced and there may be budget modifications in June or July. Additionally, marketing to improve demand at APA facilities is contemplated as well as consideration of modifications of meter rates and durations.

Two resolutions were approved:

Resolution 2008-04-01 – Feasibility Study Bid Award: Motion Miles, second DiGiulio; 4-0  
Resolution 2008-04-02 – Garage Renovation Bid Award: Motion Miles, second DiGiulio; 4-0

The meeting adjourned at 9:55 am.