



Thruway Authority

ANDREW M. CUOMO
Governor

JOANNE M. MAHONEY
Chair

BILL FINCH
Acting Executive Director

February 13, 2017

Honorable Andrew M. Cuomo
Governor
NYS Executive Chamber
State Capitol, 2nd Floor
Albany, New York 12224

Honorable Thomas P. DiNapoli
Comptroller
Office of the New York State Comptroller
110 State Street
Albany, New York 12201

Dear Sirs,

On behalf of Chair Mahoney, I am submitting the following response to the Office of the State Comptroller's (OSC) Audit Report 2015-S-59 dated November 2016 (Audit Report) titled "Effectiveness of Cost Containment Initiatives" of the New York State Thruway Authority (the Authority) for the period January 1, 2012 through January 13, 2016. In accordance with Section 170 of the Executive Law, within ninety days of the release of the final report, we are advising you and the leaders of the Legislature and fiscal committees of the Authority's progress to date regarding the recommendation contained in the report.

Recommendation 1: Develop and implement a long-term comprehensive strategic plan to address funding needs to pay for repairs to and/or replacement of components of the Authority's aging infrastructure.

Response:

The Authority appreciates OSC's review of its on-going cost containment efforts and the findings that recognize that through the Authority's continued efforts, operating revenues are presently sufficient to cover the day-to-day operating expenses of the Thruway Authority.

The Authority is making major capital investments in its system including the New NY Bridge to replace the Tappan Zee Bridge, one of the largest infrastructure projects of its kind in the country. The Authority is repairing bridges and roadways across the state, all while keeping its highway safe for millions of motorists a year. The Authority is doing all that while implementing a variety of cost reduction strategies – all of which OSC readily acknowledges in his report.

Recently, the Thruway Authority Board of Directors approved the 2017 Budget. The 2017 budget includes a \$2.77 billion multi-year capital plan that provides the necessary improvements to the Thruway system as a whole, all while supporting the continued progress occurring on the New NY Bridge Project. As a result of the

continuing cost containment efforts and the unprecedented \$2 billion in Capital Assistance provided by the State of New York, the Authority has in place the necessary resources to maintain the current levels of maintenance, safety and service. Further, 2017 marks the seventh year since the most recent toll increase took effect. Finally, in accordance with Public Authorities Law requirements, the Thruway Authority has submitted its 2017 Budget and corresponding long-term financial plan into the Public Authorities Reporting Information System (PARIS).

Sincerely,



Bill Finch

CC: Senator John J. Flanagan, Temporary President and Majority Leader
Senator John A. DeFrancisco, Deputy Majority Leader for Legislative Operations
Senator Jeffrey D. Klein, Independent Democratic Conference Leader
Senator Catharine M. Young, Chair, Finance Committee
Senator Andrea Stewart-Cousins, Democratic Conference Leader
Senator Liz Krueger, Ranking Democratic Member, Finance Committee
Assemblymember Carl E. Heastie, Speaker
Assemblymember Joseph D. Morelle, Majority Leader
Assemblymember Herman D. Farrell, Jr., Chair, Ways and Means Committee
Assemblymember Brian M. Kolb, Minority Leader
Assemblymember Bob Oaks, Ranking Member, Ways and Means Committee
Mr. John Buyce, Audit Director, Office of the State Comptroller